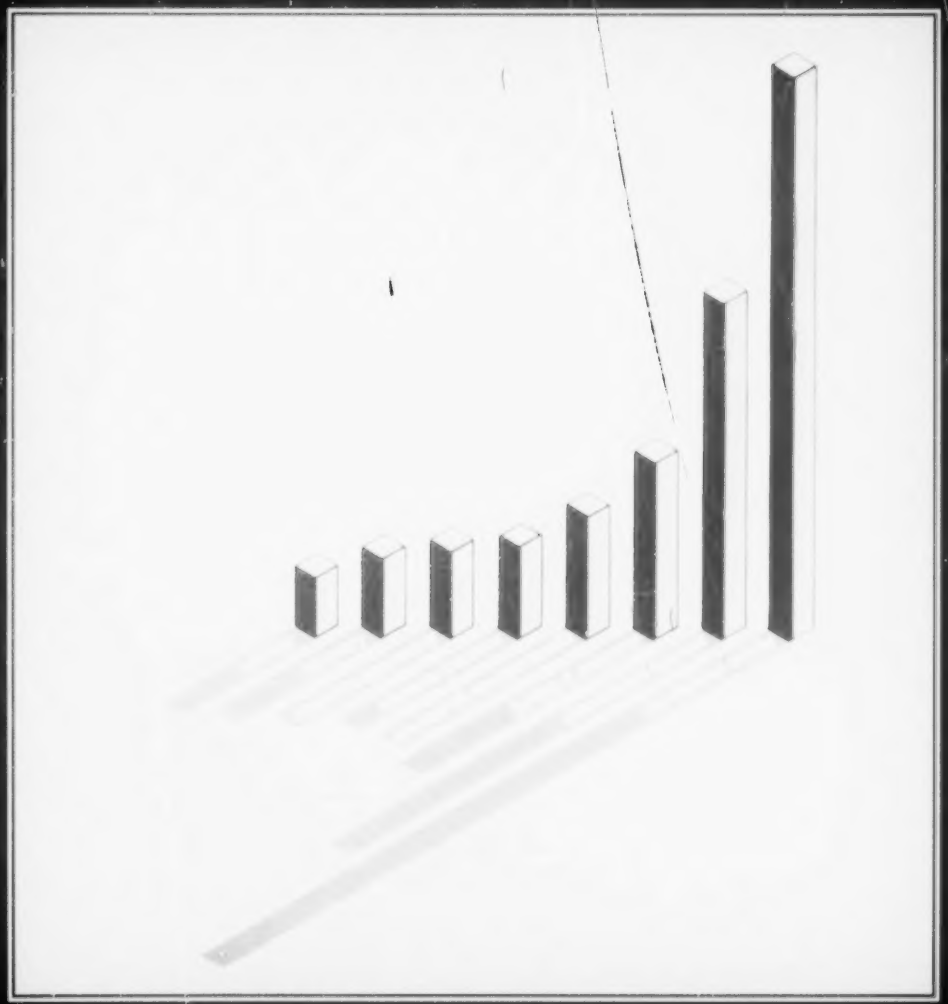
THE COST AND PRODUCTION SURVEY REPORT

1989 REPORT BASED ON 1988 DATA



MEDICAL GROUP
MANAGEMENT
ASSOCIATION

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1989
COST AND PRODUCTION SURVEY
REPORT

Based on 1988 Data

MEDICAL GROUP
MANAGEMENT
ASSOCIATION

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The 1989 Cost and Production Surveys were compiled by the Center for Research in Ambulatory Health Care Administration (CRAHCA), the research affiliate of the Medical Group Management Association (MGMA).

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Introduction

The 1989 MGMA Cost Survey Report presents summary statistics of medical group practice revenues, expenses, and staffing information provided by MGMA member groups in the United States for calendar year 1988, or the practice's most recent twelve-month fiscal period. The 1989 Cost Survey questionnaire (long form) and the 1989 Cost Survey definitions are reprinted on pages 62-64 of this report. Please refer to these documents to better understand how data were collected for this report.

Survey questionnaires were mailed to 3663 United States MGMA member groups during March 1989, and 937 questionnaires were returned reflecting a response rate of 25.6 percent. Of the 937 returned questionnaires, 23 questionnaires were deleted from the database either because the questionnaire had a reporting period of less than 12 months or the group reported total nonphysician expenses to be greater than total cash collections. The remaining 914 questionnaires were used to compile the demographic tables presented in this report.

In order to keep the database representative of freestanding and hospital affiliated medical groups, 32 additional cases were deleted prior to calculating statistics for the multispecialty and single specialty tables. Of these 32 cases, 24 were university affiliated medical groups, 5 were government affiliated medical groups, and 3 were medical groups that classified themselves as "other." Thus, 882 cases were used to compile the multispecialty and single specialty tables. A special university affiliated medical group table, not included in this report, has been compiled and is available on request from CRAHCA.

Confidentiality of the data reported on the survey questionnaires has been strictly followed. To further insure anonymity in this survey report, data were suppressed when there were five or fewer medical groups providing information in a specific data category. The MGMA/CRAHCA staff realizes the sensitive nature of physician revenue and cost data and maintains strict confidentiality in the treatment of individual responses.

This report is copyrighted by the Medical Group Management Association. If you have a question concerning the survey results, or comments on how this report or the survey questionnaire could be improved, please contact one of the members of the MGMA Financial Management Committee or the MGMA/CRAHCA staff. Changes made in the 1989 cost survey are a direct result of member suggestions during the past year.

Your continued cooperation by participating in your association's surveys is appreciated.

July 31, 1989
—1989 MGMA Financial Management
Committee and the MGMA/CRAHCA Staff

How to Use This Report

The MGMA Cost Survey is designed to assist medical group administrators measure the performance of their organizations vis-a-vis the mean performance of the self-selected survey respondent population. It must be stressed that this Cost Survey is not based upon a formal random sample. Since all responses are purely voluntary, an element of self-selection bias is introduced into the respondent population. The implication of the self-selection bias to the medical group manager is that any comparisons of individual group data to the mean values for a respondent population should be made cautiously, with the realization that the mean values for the respondent population are not necessarily the same as those that would occur if a true random sample had been utilized.

To inform the user of the sample size, the first segment in each table states the number of responding medical groups. Comprehensive tables stating the "count" for each data element were computed and are available, on request, from CRAHCA.

Four general types of data—mean dollars per FTE physician, mean percent of cash collections, mean ratios, and mean percentages are reported in the cost survey tables. These data are disaggregated according to three different categories for multispecialty medical groups and by type of single specialty group. The three categories of multispecialty group data are: geographic (MGMA) section, size of medical group, and percent prepaid income.

In examining the data presented in this report, the medical group manager should ask several questions.

1. What is the difference between the data reported by the group and the overall averages—both in "dollars per FTE physician" and in "percent of total cash collections?"

2. Do these differences indicate that the group's financial performance is significantly out of line with the cost survey averages? Such differences may identify some areas of the group's business that require closer scrutiny.

3. Are the differences explainable either through the group's method of data collection and reporting, or because of special group goals?

4. By what methods can these financial indicators be changed or controlled within the group?

Comparisons should be made on an individual item basis. In the case of the nonphysician salaries subtotal, if the group has only group practice executive staff, business office personnel, registered nurses, and medical receptionists, each of these categories should be compared and evaluated individually. Then, a nonphysician salaries subtotal can be calculated based solely on the data for the four staff categories listed above. A comparison can then be made between the group's actual nonphysician salaries and the mean values presented in the cost survey report.

Caution should be used in interpreting the data in this report for two reasons. First, as stated earlier, the average data reported here are compiled from questionnaires voluntarily returned by MGMA members and may not be representative of group practices in general. Second, when the response rate in a given category is low (20 responses or fewer), the mean value could change significantly with the addition of only a few more cases. In the case of small sample sizes, a low level of confidence should be placed on the results.

How This Report Was Computed

The Center for Research in Ambulatory Health Care Administration received, processed, and edited all Cost Survey questionnaires. This report was computed using computer programs developed by CRAHCA utilizing SPSS-PC on a Compaq 386 personal computer system.

There are three ratios and percentages computed in this report that are functions of other variables. They are calculated as follows: (Note that the appropriate line of the survey questionnaire is referenced in parenthesis).

1. Accounts Receivable Ratio =
Total accounts receivable (Part I. 8.F.)
1/12 (Gross fee-for-service charges (Part I. 1.a.) minus Adjustments (Part I.2.))

2. Gross Collection Percentage =
Fee-for-service cash collections (Part I. 5.) x 100
Gross fee-for-service charges (Part I. 1.a.)

3. Adjusted Collection Percentage =
Fee-for-service cash collections (Part I. 5.) x 100
(Gross fee-for-service charges (Part I. 1.a.) minus Adjustments (Part I. 2.))

In examining the data tables in this report, the reader will notice the "$ per FTE physician" variables do not always add up to the total, and that the "percent of cash collections" variables do not always add up to 100 percent. In general, the sums will be greater than the indicated total or greater than 100 percent. This is due to the fact that not all groups have every expense category.

As an example, out of the 391 multispecialty medical groups whose data were used to compute tables, only 70 medical groups reported physical therapy personnel salary expense. In reporting the average physical therapy personnel salary expense, the mean value is based only on the 70 medical groups that actually have this expense. It is not the mean value for all 391 groups, 321 of which would have a zero in this expense category.

If one were to add up all the nonphysician salary expense categories, one would be weighting all the categories equally and would obtain an invalid sum which, in most cases, would be greater than the valid sum shown in the report which weights each expense category by the number of responses.

In the few cases where manual addition yields a sum less than the published sum, the reasons can usually be traced to the effects of small sample sizes for individual expense categories (contained only in the Long Form questionnaire) as compared to much larger sample sizes for the subtotals (contained in both the Long and Short Form questionnaires).

If you have any questions about any of the results in this report, please feel free to contact the CRAHCA staff for clarification.

Demographic Profile of Responding Medical Groups

Table A: Geographic Distribution (MGMA Section)

	Frequency	Percent
Eastern	168	18.4%
Midwest	271	29.6%
Southern	249	27.2%
Western	226	24.7%
TOTAL	914	100.0%

Table B: Size of Medical Group (Number of FTE Physicians)

	Frequency	Percent
6 or Fewer	383	41.9%
7 to 15	261	28.6%
16 to 25	87	9.5%
26 to 35	53	5.8%
36 to 50	46	5.0%
51 or more	84	9.2%
TOTAL	914	100.0%

Table C: Type of Medical Group

	Frequency	Percent
Single Specialty	501	54.8%
Multispecialty	413	45.2%
TOTAL	914	100.0%

Table D: Percent Prepaid Income

	Frequency	Percent
No Prepaid	653	71.4%
1 to 10 Percent	112	12.3%
11 to 20 Percent	51	5.6%
21 to 50 Percent	47	5.1%
Over 50 Percent	51	5.6%
TOTAL	914	100.0%

Table E: Medical Group Affiliation

	Frequency	Percent
Freestanding	790	86.6%
Hospital	92	10.1%
University	24	2.7%
Government	5	0.4%
Other	3	0.2%
TOTAL	914	100.0%

Table F: Location of Primary Clinic Facility

	Frequency	Percent
Central City (Population over 500,000)	162	17.7%
Suburban (Population over 500,000)	138	15.1%
Central City (Population 100,000 to 500,000)	169	18.5%
Suburban (Population 100,000 to 500,000)	94	10.3%
City (Population 50,000 to 99,999)	108	11.8%
City (Population 20,000 to 49,999)	126	13.8%
Rural (Population less than 20,000)	117	12.8%
TOTAL	914	100.0%

Table G: Use of CRAHCA Chart of Accounts

	Frequency	Percent
Yes	351	39.3%
No	541	60.7%
TOTAL	892	100.0%
Missing	22	

Table H: Medical Group Accounting Method

	Frequency	Percent
Cash	555	61.4%
Modified Cash/Accrual	234	25.9%
Accrual	115	12.7%
TOTAL	904	100.0%
Missing	10	

Table I. Length of Time to Complete Questionnaire

	Frequency	Percent
1 Hour or Less	183	21.0%
1.1 to 2 Hours	278	32.0%
2.1 to 4 Hours	228	26.2%
4.1 to 8 Hours	112	12.9%
8.1 to 16 Hours	46	5.3%
More than 16 Hours	23	2.6%
TOTAL	870	100.0%
Missing	44	

NOTE: Totals may not sum to 100% due to rounding.

Medical Group Management Association
1989 Cost Survey Based on 1988 Data

Table 1: Changes in Mean Revenue, Expenses, and Earnings per FTE Physician for Multispecialty Groups: 1985-1988

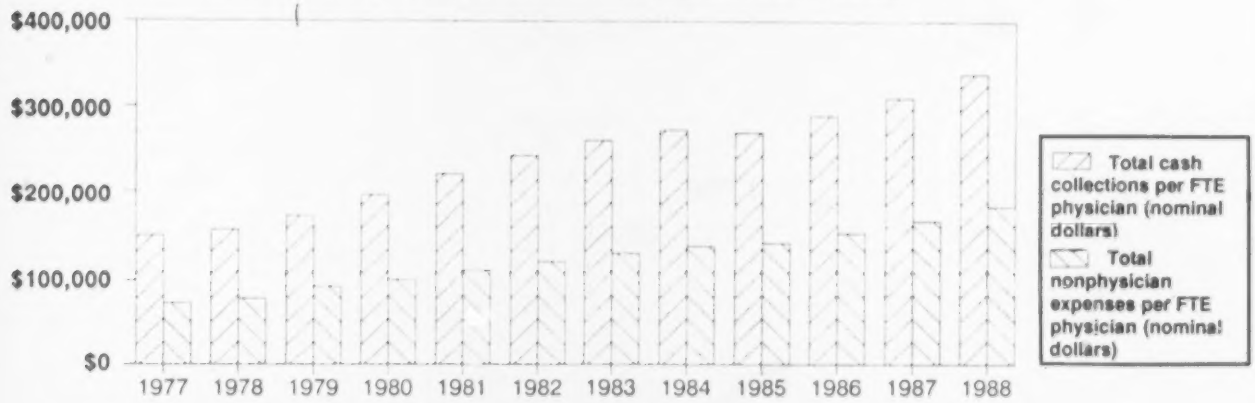
	1985	1986	PERCENT CHANGE 1985 TO 1986	1987	PERCENT CHANGE 1986 TO 1987	1988	PERCENT CHANGE 1987 TO 1988
NUMBER OF RESPONDING MEDICAL GROUPS	253	310		331		391	
TOTAL PATIENT CHARGES	$280,378	$302,789	7.99%	$362,350	19.67%	$409,028	12.88%
Gross fee-for-service charges	$289,595	$311,295	7.49%	$317,377	1.95%	$368,943	16.25%
Prepaid patient charges	$84,619	$80,947	-4.34%	$97,089	19.94%	$104,386	7.52%
ADJUSTMENTS	$26,001	$28,550	9.80%	$32,216	12.84%	$46,025	42.86%
BAD DEBTS AND WRITE-OFFS	$13,912	$16,315	17.27%	$14,744	-9.63%	$20,977	42.27%
NET PREPAID REVENUE	$66,931	$80,157	19.76%	$76,947	-4.00%	$88,638	15.19%
Capitation revenue	$83,550	$97,137	16.26%	$97,880	0.76%	$110,906	13.31%
Other prepaid revenue	$21,253	$16,198	-23.78%	$34,990	116.01%	$19,355	-44.68%
Professional/med. purchased services	$33,185	$45,549	37.26%	$58,228	27.84%	$61,910	6.32%
FEE-FOR-SERVICE CASH COLLECTIONS	$246,818	$262,712	6.44%	$269,011	2.40%	$301,826	12.20%
OTHER REVENUE	$7,669	$8,088	5.46%	$7,021	-13.19%	$10,800	53.82%
TOTAL CASH COLLECTIONS	$274,071	$293,842	7.21%	$314,767	7.12%	$342,565	8.83%
NONPHYSICIAN SALARIES SUBTOTAL	$56,703	$60,879	7.36%	$67,171	10.34%	$73,209	8.99%
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	$13,269	$13,691	3.18%	$14,716	7.49%	$16,292	10.71%
DATA PROCESSING EXPENSES SUBTOTAL	$3,907	$4,027	3.07%	$4,206	4.44%	$4,207	0.02%
LABORATORY EXPENSES SUBTOTAL	$8,471	$8,885	4.89%	$9,471	6.60%	$9,920	4.74%
RADIOLOGY EXPENSES SUBTOTAL	$5,325	$6,055	13.71%	$6,282	3.75%	$6,360	1.24%
PHYSICAL THERAPY EXPENSES SUBTOTAL	$1,088	$1,461	34.28%	$1,374	-5.95%	$3,236	135.52%
OPTICAL EXPENSES SUBTOTAL	$2,512	$2,834	12.82%	$2,597	-8.36%	$2,577	-0.77%
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	$9,402	$9,226	-1.87%	$10,237	10.96%	$11,469	12.03%
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	$18,618	$19,466	4.55%	$21,098	8.38%	$21,670	2.71%
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	$4,516	$5,941	31.55%	$5,887	-0.91%	$6,364	8.10%
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	$3,988	$4,317	8.25%	$4,337	0.46%	$5,037	16.14%
TELEPHONE EXPENSES SUBTOTAL	$3,054	$3,257	6.65%	$3,431	5.34%	$3,483	1.52%
INSURANCE PREMIUMS SUBTOTAL	$7,457	$9,260	24.18%	$11,052	19.35%	$12,504	13.14%
OUTSIDE PROFESSIONAL FEES SUBTOTAL	$3,477	$3,442	-1.01%	$3,848	11.80%	$4,622	20.11%
PROMOTION AND MARKETING EXPENSES SUBTOTAL	$1,409	$1,624	15.26%	$1,835	12.99%	$2,025	10.35%
GROUP INTEREST EXPENSES SUBTOTAL	$2,284	$2,141	-6.26%	$2,623	22.51%	$2,920	11.32%
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	$7,150	$7,556	5.68%	$7,100	-6.03%	$8,966	26.28%
TOTAL NONPHYSICIAN EXPENSES	$143,067	$154,884	8.26%	$169,272	9.29%	$185,969	9.86%
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	$5,977	$8,347	39.65%	$8,910	6.74%	$9,213	3.40%
NET INCOME BEFORE DISTRIBUTION TO GROUP	$128,356	$133,707	4.17%	$140,300	4.93%	$151,939	8.30%
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	$18,306	$18,512	1.13%	$18,720	1.12%	$22,950	22.60%
TOTAL COMPENSATION OF GROUP PHYSICIANS	NA	NA	NA	NA	NA	$131,038	NA

NOTES: NA = NOT AVAILABLE

Table 2: Mean Total Cash Collections and Total Nonphysician Expenses per FTE Physician for Multispecialty Groups in Nominal and Real Dollars: 1977-1988

YEAR	TOTAL CASH COLLECTIONS PER FTE PHYSICIAN (NOMINAL DOLLARS)	TOTAL NONPHYSICIAN EXPENSES PER FTE PHYSICIAN (NOMINAL DOLLARS)	CONSUMER PRICE INDEX (CPI-U 1982/84 =100)	INFLATION RATE (% CHANGE IN CPI-U)	TOTAL CASH COLLECTIONS PER FTE PHYSICIAN (REAL 1982/84 DOLLARS)	TOTAL NONPHYSICIAN EXPENSES PER FTE PHYSICIAN (REAL 1982/84 DOLLARS)
1977	$153,208	$73,649	60.6	6.5%	$252,818	$121,533
1978	$160,589	$78,474	65.2	7.6%	$246,302	$120,359
1979	$176,470	$92,223	72.6	11.3%	$243,072	$127,029
1980	$201,600	$100,800	82.4	13.5%	$244,660	$122,330
1981	$226,200	$111,500	90.9	10.3%	$248,845	$122,662
1982	$247,700	$122,800	96.5	6.2%	$256,684	$127,254
1983	$265,718	$131,691	99.6	3.2%	$266,785	$132,220
1984	$277,776	$139,953	103.9	4.3%	$267,349	$134,700
1985	$274,071	$143,067	107.6	3.6%	$254,713	$132,962
1986	$293,842	$154,884	109.6	1.9%	$268,104	$141,318
1987	$314,767	$169,272	113.6	3.6%	$277,084	$149,007
1988	$342,565	$185,969	118.3	4.1%	$289,573	$157,201

Graph 2A: Mean Total Cash Collections and Total Nonphysician Expenses per FTE Physician for Multispecialty Groups in Nominal Dollars: 1977-1988



Graph 2B: Mean Total Cash Collections and Total Nonphysician Expenses per FTE Physician for Multispecialty Groups in Real Dollars: 1977-1988

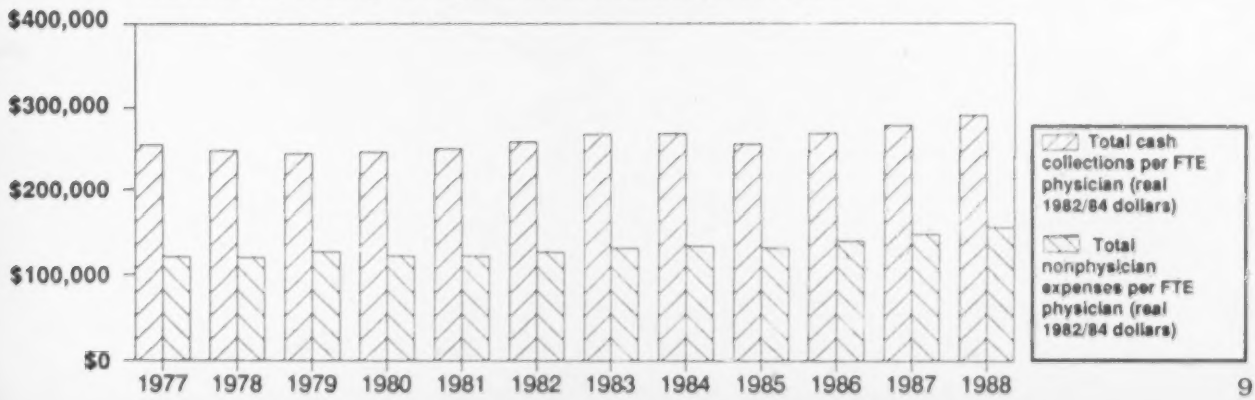
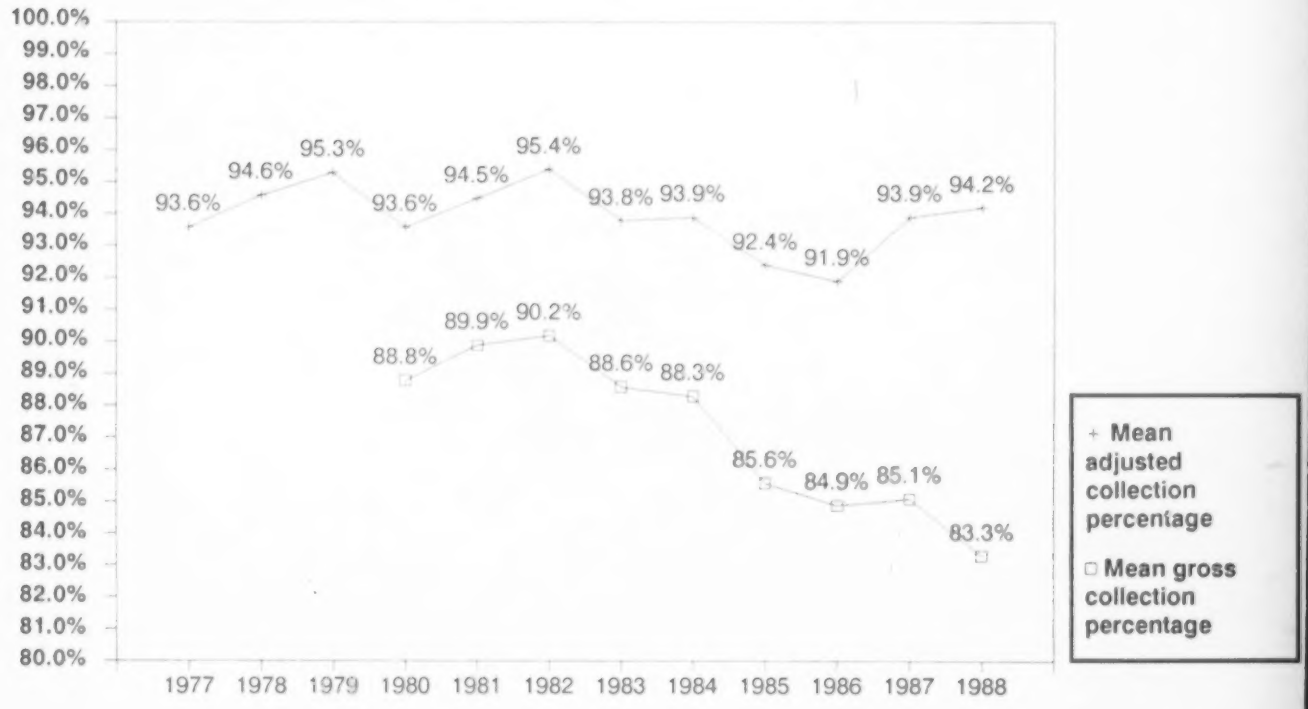


Table 3: Mean Gross and Adjusted Collection Percentages for Multispecialty Groups: 1977-1988

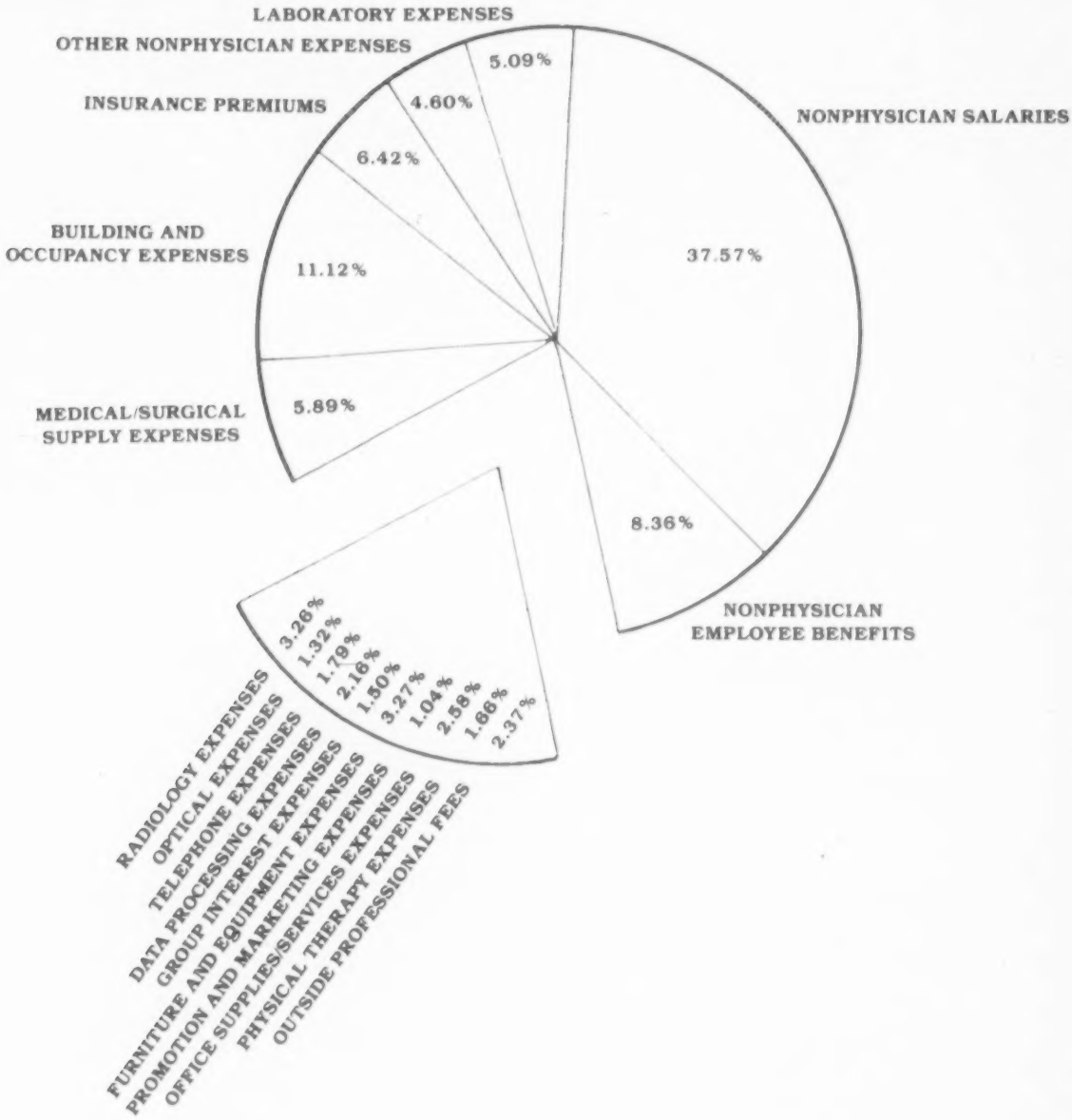
YEAR	MEAN GROSS COLLECTION PERCENTAGE	MEAN ADJUSTED COLLECTION PERCENTAGE
1977	NA	93.6%
1978	NA	94.6%
1979	NA	95.3%
1980	88.8%	93.6%
1981	89.9%	94.5%
1982	90.2%	95.4%
1983	88.6%	93.8%
1984	88.3%	93.9%
1985	85.6%	92.4%
1986	84.9%	91.9%
1987	85.1%	93.9%
1988	83.3%	94.2%

NOTE: NA = NOT AVAILABLE.

Graph 3: Mean Gross and Adjusted Collection Percentages for Multispecialty Groups: 1977-1988



Graph 4: Nonphysician Expense Categories as a Percent of Total Nonphysican Expenses for Multispecialty Groups: 1988



Medical Group Management Association
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Table 5A: Number of Responding Medical Groups by Geographic Section for Multispecialty Groups

	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
NUMBER OF RESPONDING GROUPS	60	138	91	102	391

Table 5B: Mean Number of FTE Employees per FTE Physician by Geographic Section for Multispecialty Groups

EMPLOYEE CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
TOTAL GROUP EMPLOYEES PER FTE PHYSICIAN	4.34	4.24	4.73	4.15	4.34
Executive staff	.18	.14	.21	.15	.17
Business office	.65	.62	.83	.60	.67
Data processing	.20	.19	.19	.20	.19
Other administrative	.24	.18	.25	.15	.20
Registered nurses	.59	.53	.44	.55	.53
Licensed practical nurses, aides	.68	.75	.95	.74	.79
Medical receptionists	.54	.59	.59	.66	.60
Medical secretaries/transcribers	.38	.27	.30	.25	.29
Medical records	.29	.34	.35	.36	.34
Nonphysician providers	.21	.16	.16	.17	.17
Laboratory	.37	.36	.38	.35	.37
Radiology	.23	.22	.27	.22	.23
Physical therapy	.29	.16	.18	.10	.17
Optical	.12	.08	.06	.08	.08
Housekeeping/maintenance/security	.17	.17	.20	.17	.18
Certified reg. nurse anesthetists	*	.13	.15	*	.14
Other support	.51	.35	.35	.34	.37

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Graph 5B: Mean Number of FTE Employees per FTE Physician by Geographic Section for Multispecialty Groups

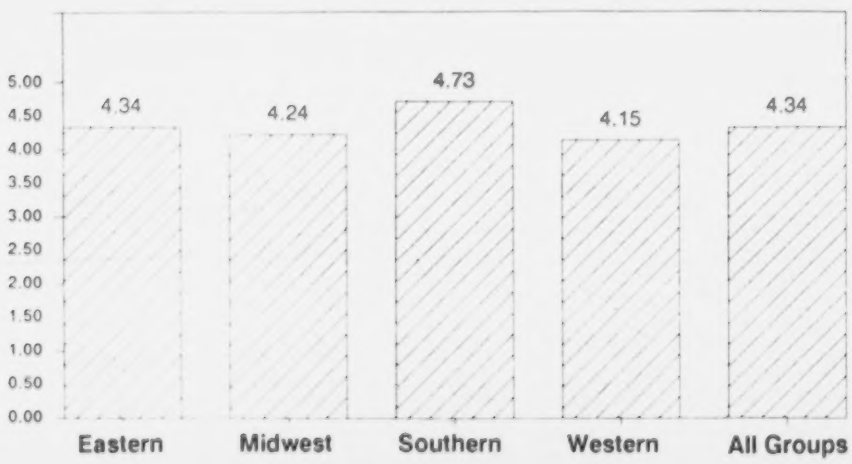

Table 5C: Mean Revenue per FTE Physician by Geographic Section for Multispecialty Groups

REVENUE CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
TOTAL PATIENT CHARGES	$412,816	$389,351	$459,925	$386,334	$409,028
Gross fee-for-service charges	$390,557	$348,718	$440,463	$321,402	$368,943
Prepaid patient charges	$78,361	$88,235	$113,101	$127,097	$104,386
ADJUSTMENTS	$59,556	$35,788	$54,219	$44,214	$46,025
BAD DEBTS AND WRITE-OFFS	$16,165	$16,357	$31,862	$19,819	$20,977
NET PREPAID REVENUE	$66,306	$70,486	$102,982	$114,276	$88,638
Capitation revenue	$106,847	$105,529	$110,621	$120,046	$110,906
Other prepaid revenue	$20,602	$15,436	$18,130	$22,260	$19,355
Professional/med. purchased services	$98,860	$85,058	$37,975	$42,080	$61,910
FEE-FOR-SERVICE CASH COLLECTIONS	$316,155	$290,559	$357,572	$260,072	$301,826
OTHER REVENUE	$14,948	$10,452	$10,482	$9,472	$10,800
TOTAL CASH COLLECTIONS	$343,556	$331,687	$381,062	$322,355	$342,565

Table 5D: Mean Accounts Receivable Aging by Geographic Section for Multispecialty Groups

ACCOUNTS RECEIVABLE CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
TOTAL ACCOUNTS RECEIVABLE - $/FTE PHY.	$111,804	$87,783	$123,747	$85,844	$99,308
Accounts receivable - 0 to 30 days	$32,302	$27,076	$33,289	$27,979	$29,619
Accounts receivable - 31 to 60 days	$20,156	$16,295	$19,183	$15,020	$17,263
Accounts receivable - 61 to 90 days	$12,991	$9,377	$11,889	$9,327	$10,539
Accounts receivable - 91 TO 120 days	$10,142	$8,149	$12,534	$7,732	$9,390
Accounts receivable - over 120 days	$40,141	$28,311	$51,308	$27,854	$35,405
PER CENT OF TOTAL ACCOUNTS RECEIVABLE	100.00%	100.00%	100.00%	100.00%	100.00%
Accounts receivable - 0 to 30 days	31.97%	32.23%	28.88%	33.15%	31.62%
Accounts receivable - 31 to 60 days	18.22%	18.28%	16.65%	17.45%	17.67%
Accounts receivable - 61 to 90 days	11.56%	10.48%	9.97%	10.60%	10.56%
Accounts receivable - 91 to 120 days	8.25%	8.68%	9.90%	8.33%	8.81%
Accounts receivable - over 120 days	32.48%	31.74%	37.95%	31.18%	33.16%

Table 5E: Mean Ratios and Percentages by Geographic Section for Multispecialty Groups

RATIOS AND PERCENTAGES	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
ACCOUNTS RECEIVABLE RATIO	3.98	3.58	3.96	3.65	3.75
GROSS COLLECTION PERCENTAGE	81.52%	85.07%	82.59%	82.38%	83.26%
ADJUSTED COLLECTION PERCENTAGE	93.56%	94.92%	93.08%	94.61%	94.21%

Table 5F: Mean Breakout of Total Patient Charges by Payor by Geographic Section for Multispecialty Groups

PAYOR CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
PERCENT OF TOTAL PATIENT CHARGES	100.00%	100.00%	100.00%	100.00%	100.00%
Medicare	25.43%	21.64%	27.54%	20.81%	23.33%
Medicaid	4.44%	8.10%	6.45%	7.71%	7.11%
Managed care	20.70%	19.65%	22.53%	26.26%	22.15%
Commercial, private, workers comp.	57.49%	53.88%	52.40%	50.43%	53.17%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 5G: Mean Nonphysician Expenses per FTE Physician by Geographic Section for Multispecialty Groups

NONPHYSICIAN EXPENSES CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
NONPHYSICIAN SALARIES SUBTOTAL	$72,890	$70,979	$75,346	$74,499	$73,209
Executive staff	$6,651	$5,686	$7,004	$5,424	$6,051
Business office	$11,360	$9,364	$11,762	$9,128	$10,144
Data processing	$3,792	$2,947	$2,703	$2,744	$2,931
Other administrative	$5,302	$3,638	$2,816	$3,022	$3,554
Registered nurses	$13,074	$11,149	$9,803	$13,058	$11,657
Licensed practical nurses, aides	$10,892	$11,361	$14,080	$10,991	$11,856
Medical receptionists	$8,710	$7,947	$8,257	$8,758	$8,339
Medical secretaries/transcribers	$6,358	$3,956	$3,819	$4,177	$4,335
Medical records	$3,684	$4,030	$3,909	$4,390	$4,058
Nonphysician providers	$6,313	$5,541	$3,686	$3,680	$4,760
Laboratory	$6,485	$6,438	$7,065	$6,890	$6,701
Radiology	$4,563	$3,964	$4,768	$4,489	$4,371
Physical therapy	$8,860	$2,659	$2,190	$2,911	$3,441
Optical	$873	$1,352	$1,424	$1,811	$1,382
Housekeeping/maintenance/security	$1,894	$2,275	$2,337	$2,040	$2,172
Certified reg. nurse anesthetists	*	$7,094	$8,642	*	$7,868
Other support	$5,738	$5,440	$5,398	$4,901	$5,344
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	$17,259	$16,144	$16,442	$15,765	$16,292
Taxes - FICA, payroll, etc.	$7,368	$6,509	$6,436	$7,141	$6,785
Insurance-health/disability/life/etc.	$5,634	$4,487	$4,900	$4,719	$4,816
Retirement and/or profit sharing	$4,802	$5,587	$4,198	$3,938	$4,713
Other employee benefits	$2,001	$1,237	$1,096	$1,146	$1,300
DATA PROCESSING EXPENSES SUBTOTAL	$4,088	$4,426	$4,007	$4,153	$4,207
Service bureau fees	$2,168	$3,055	$2,683	$2,856	$2,824
Equipment rental/depreciation	$1,919	$2,280	$2,187	$1,986	$2,124
Equipment and software maintenance	$1,254	$987	$1,135	$1,008	$1,064
Data processing supplies	$886	$836	$705	$637	$759
Other data processing expenses	$1,220	$793	$497	$1,137	$851
LABORATORY EXPENSES SUBTOTAL	$9,958	$10,076	$11,084	$8,679	$9,920
Fees for outside laboratory services	$4,632	$5,107	$3,913	$3,367	$4,320
Equipment rental/depreciation	$1,284	$1,106	$1,709	$1,082	$1,250
Equipment maintenance	$414	$444	$494	$391	$437
Laboratory supplies	$4,959	$4,476	$5,826	$4,073	$4,759
Other laboratory expenses	$1,123	$754	$816	$469	$759
RADIOLOGY EXPENSES SUBTOTAL	$5,852	$5,394	$8,515	$5,874	$6,360
Fees for outside radiology services	$2,180	$3,182	$3,170	$2,719	$2,912
Equipment rental/depreciation	$1,774	$1,596	$4,392	$1,671	$2,240
Equipment maintenance	$758	$595	$1,635	$862	$924
Radiology supplies	$2,443	$2,376	$3,314	$2,331	$2,593
Other radiology expenses	$531	$535	$1,191	$382	$671
PHYSICAL THERAPY EXPENSES SUBTOTAL	$2,899	$4,837	$2,020	$2,182	$3,236
Equipment rental/depreciation	*	$212	$244	$162	$207
Equipment maintenance	*	$108	$147	$61	$97
Physical therapy supplies	$270	$471	$366	$214	$346
Other physical therapy expenses	$3,739	$1,157	$387	$3,826	$2,283
OPTICAL EXPENSES SUBTOTAL	$4,019	$2,346	$2,259	$2,415	$2,577
Equipment rental/depreciation	*	$543	*	$111	$439
Equipment maintenance	*	$38	*	*	$38
Optical supplies	$1,418	$2,138	$1,387	$2,341	$1,952
Other optical expenses	*	$424	$93	*	$302

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for multispecialty groups.

Table 5G is continued on Page 16.

Table 5H: Mean Nonphysician Expenses as a Percent of Cash Collections by Geographic Section for Multispecialty Groups

NONPHYSICIAN EXPENSES CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
NONPHYSICIAN SALARIES SUBTOTAL	21.19%	21.69%	20.37%	22.94%	21.63%
Executive staff	1.90%	1.71%	1.91%	1.77%	1.80%
Business office	3.19%	2.88%	3.16%	2.96%	3.01%
Data processing	1.12%	.80%	.75%	.86%	.84%
Other administrative	1.41%	1.05%	.78%	.86%	1.00%
Registered nurses	3.53%	3.27%	2.69%	4.24%	3.45%
Licensed practical nurses, aides	3.38%	3.34%	3.82%	3.47%	3.49%
Medical receptionists	2.51%	2.38%	2.21%	2.86%	2.49%
Medical secretaries/transcribers	1.74%	1.15%	.99%	1.30%	1.24%
Medical records	1.00%	1.21%	1.09%	1.37%	1.20%
Nonphysician providers	1.57%	1.59%	1.04%	1.18%	1.37%
Laboratory	1.91%	1.91%	1.92%	2.19%	1.98%
Radiology	1.20%	1.13%	1.23%	1.39%	1.23%
Physical therapy	1.82%	.73%	.53%	.85%	.87%
Optical	.28%	.35%	.39%	.47%	.36%
Housekeeping/maintenance/security	.54%	.67%	.60%	.61%	.62%
Certified reg. nurse anesthetists	*	1.95%	2.32%	*	2.13%
Other support	1.36%	1.40%	1.44%	1.28%	1.37%
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	4.93%	4.92%	4.46%	4.92%	4.81%
Taxes - FICA, payroll, etc.	2.05%	1.93%	1.74%	2.28%	1.99%
Insurance-health/disability/life/etc.	1.57%	1.33%	1.36%	1.48%	1.41%
Retirement and/or profit sharing	1.34%	1.65%	1.16%	1.21%	1.37%
Other employee benefits	.51%	.36%	.30%	.39%	.38%
DATA PROCESSING EXPENSES SUBTOTAL	1.19%	1.32%	1.12%	1.25%	1.24%
Service bureau fees	.58%	.85%	.79%	.79%	.79%
Equipment rental/depreciation	.57%	.66%	.58%	.64%	.63%
Equipment and software maintenance	.37%	.30%	.32%	.33%	.32%
Data processing supplies	.26%	.26%	.19%	.21%	.23%
Other data processing expenses	.33%	.23%	.14%	.29%	.23%
LABORATORY EXPENSES SUBTOTAL	3.06%	3.13%	3.05%	2.72%	2.99%
Fees for outside laboratory services	1.41%	1.57%	1.14%	1.05%	1.32%
Equipment rental/depreciation	.41%	.32%	.46%	.34%	.37%
Equipment maintenance	.13%	.12%	.12%	.12%	.12%
Laboratory supplies	1.45%	1.35%	1.58%	1.31%	1.41%
Other laboratory expenses	.25%	.21%	.23%	.15%	.21%
RADIOLOGY EXPENSES SUBTOTAL	1.67%	1.56%	2.08%	1.70%	1.74%
Fees for outside radiology services	.70%	.90%	.85%	.81%	.84%
Equipment rental/depreciation	.49%	.46%	.96%	.49%	.58%
Equipment maintenance	.20%	.16%	.34%	.25%	.23%
Radiology supplies	.63%	.69%	.84%	.73%	.73%
Other radiology expenses	.13%	.14%	.27%	.11%	.16%
PHYSICAL THERAPY EXPENSES SUBTOTAL	.71%	1.02%	.45%	.63%	.75%
Equipment rental/depreciation	*	.06%	.06%	.05%	.06%
Equipment maintenance	*	.03%	.03%	.02%	.03%
Physical therapy supplies	.09%	.13%	.09%	.06%	.10%
Other physical therapy expenses	.87%	.30%	.09%	1.17%	.62%
OPTICAL EXPENSES SUBTOTAL	.96%	.62%	.64%	.64%	.68%
Equipment rental/depreciation	*	.19%	*	.03%	.15%
Equipment maintenance	*	.01%	*	*	.01%
Optical supplies	.45%	.54%	.42%	.63%	.52%
Other optical expenses	*	.10%	.02%	*	.07%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for multispecialty groups.

Table 5H is continued on Page 17.

Table 5G: Mean Nonphysician Expenses per FTE Physician by Geographic Section for Multispecialty Groups (continued from Page 14)

NONPHYSICIAN EXPENSES CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	$8,862	$11,261	$12,970	$11,981	$11,469
Drugs and medications	$3,699	$5,452	$6,563	$4,611	$5,255
General medical supplies/instruments	$5,688	$6,584	$5,832	$6,335	$6,214
Laundry and linens	$499	$452	$506	$565	$501
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	$20,151	$20,920	$22,757	$22,652	$21,670
Rental/depreciation/occupancy	$17,678	$17,649	$17,486	$18,333	$17,793
Utilities	$2,398	$2,434	$2,553	$2,229	$2,404
Housekeeping and maintenance supplies	$928	$981	$908	$902	$936
Contracted janitorial services	$1,585	$1,332	$1,278	$1,659	$1,444
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	$6,247	$6,494	$6,901	$5,835	$6,364
Rental and depreciation	$5,458	$4,959	$5,905	$5,204	$5,296
Other furniture/equipment expenses	$1,867	$1,509	$2,201	$1,617	$1,726
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	$5,355	$4,751	$5,022	$5,256	$5,037
TELEPHONE EXPENSES SUBTOTAL	$3,663	$3,266	$3,620	$3,543	$3,483
INSURANCE PREMIUMS SUBTOTAL	$12,578	$13,514	$12,441	$11,163	$12,504
Professional liability	$13,005	$12,592	$12,826	$11,120	$12,328
Other insurance	$1,414	$1,027	$823	$799	$979
OUTSIDE PROFESSIONAL FEES SUBTOTAL	$5,204	$5,010	$4,471	$3,894	$4,622
Medical (nonphysician) professionals	$3,101	$2,320	$1,970	$1,909	$2,247
Legal and accounting	$2,924	$1,919	$1,647	$1,709	$1,965
Management consultants	$1,827	$1,144	$1,229	$1,078	$1,204
Other nonphysician consultants	$1,397	$1,265	$1,616	$921	$1,232
PROMOTION/MARKETING EXPENSES SUBTOTAL	$2,871	$1,629	$2,017	$2,079	$2,025
GROUP INTEREST EXPENSES SUBTOTAL	$3,045	$3,129	$1,998	$3,364	$2,920
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	$8,949	$7,891	$9,520	$9,938	$8,966
TOTAL NONPHYSICIAN EXPENSES	$180,020	$181,331	$196,998	$185,904	$185,969

Table 5I: Mean Physician Expenses and Earnings per FTE Physician by Geographic Section for Multispecialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	$9,712	$8,676	$7,606	$10,931	$9,213
Fees to consulting pathologists	$5,857	$767	$3,832	$2,101	$2,700
Fees to consulting radiologists	$5,817	$5,314	$5,857	$4,603	$5,329
Fees to other consulting physicians	$7,130	$5,685	$4,044	$7,621	$6,049
NET INCOME BEFORE DISTRIBUTION TO GROUP	$162,519	$144,263	$180,084	$131,210	$151,939
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	$24,588	$24,825	$23,053	$19,178	$22,950
Payroll taxes	$6,430	$4,788	$3,682	$3,256	$4,437
Insurance-health/disability/life/etc.	$3,865	$3,911	$3,848	$3,526	$3,793
Retirement and/or profit sharing	$11,802	$11,935	$11,830	$10,745	$11,612
Dues, memberships, and license fees	$1,336	$1,567	$1,388	$1,267	$1,416
Meetings and travel	$2,861	$1,967	$2,431	$2,032	$2,227
Other physician benefits	$2,519	$2,484	$2,802	$2,675	$2,610
TOTAL COMPENSATION OF GROUP PHYSICIANS	$137,214	$124,504	$154,346	$115,247	$131,038

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 5H: Mean Nonphysician Expenses as a Percent of Cash Collections by Geographic Section for Multispecialty Groups (continued from Page 15)

NONPHYSICIAN EXPENSES CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	2.61%	3.37%	3.50%	3.65%	3.35%
Drugs and medications	1.08%	1.63%	1.72%	1.48%	1.54%
General medical supplies/instruments	1.61%	1.87%	1.57%	1.95%	1.78%
Laundry and linens	.13%	.14%	.13%	.19%	.15%
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	5.90%	6.48%	6.03%	7.23%	6.48%
Rental/depreciation/occupancy	4.79%	5.23%	4.72%	5.86%	5.21%
Utilities	.68%	.75%	.70%	.71%	.72%
Housekeeping and maintenance supplies	.26%	.28%	.25%	.27%	.27%
Contracted janitorial services	.46%	.44%	.35%	.54%	.45%
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	1.72%	1.93%	2.01%	1.81%	1.88%
Rental and depreciation	1.44%	1.43%	1.54%	1.61%	1.50%
Other furniture/equipment expenses	.52%	.44%	.60%	.50%	.50%
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	1.52%	1.44%	1.33%	1.70%	1.49%
TELEPHONE EXPENSES SUBTOTAL	1.08%	1.00%	.98%	1.14%	1.04%
INSURANCE PREMIUMS SUBTOTAL	3.78%	4.21%	3.29%	3.47%	3.74%
Professional liability	3.82%	3.77%	3.50%	3.52%	3.65%
Other insurance	.40%	.28%	.21%	.25%	.28%
OUTSIDE PROFESSIONAL FEES SUBTOTAL	1.44%	1.59%	1.15%	1.25%	1.38%
Medical (nonphysician) professionals	.84%	.60%	.49%	.61%	.61%
Legal and accounting	.77%	.58%	.41%	.56%	.56%
Management consultants	.46%	.34%	.35%	.35%	.36%
Other nonphysician consultants	.36%	.39%	.35%	.28%	.35%
PROMOTION/MARKETING EXPENSES SUBTOTAL	.69%	.46%	.52%	.64%	.56%
GROUP INTEREST EXPENSES SUBTOTAL	.85%	.98%	.51%	1.00%	.86%
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	2.66%	2.33%	2.37%	3.10%	2.59%
TOTAL NONPHYSICIAN EXPENSES	52.19%	55.34%	51.57%	57.40%	54.52%

Table 5J: Mean Physician Expenses and Earnings as a Percent of Cash Collections by Geographic Section for Multispecialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	MGMA SECTION				ALL GROUPS
	EASTERN SECTION	MIDWEST SECTION	SOUTHERN SECTION	WESTERN SECTION	
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	2.49%	2.79%	2.10%	3.32%	2.76%
Fees to consulting pathologists	1.43%	.21%	1.30%	.76%	.81%
Fees to consulting radiologists	1.67%	1.44%	1.58%	1.57%	1.55%
Fees to other consulting physicians	1.51%	1.65%	1.19%	2.18%	1.69%
NET INCOME BEFORE DISTRIBUTION TO GROUP	47.50%	42.86%	47.78%	40.80%	44.18%
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	7.37%	7.51%	6.26%	5.92%	6.80%
Payroll taxes	1.71%	1.40%	1.03%	1.07%	1.29%
Insurance-health/disability/life/etc.	1.19%	1.22%	1.05%	1.12%	1.15%
Retirement and/or profit sharing	3.41%	3.53%	3.19%	3.26%	3.38%
Dues, memberships, and license fees	.40%	.44%	.37%	.42%	.41%
Meetings and travel	.80%	.57%	.65%	.63%	.64%
Other physician benefits	.70%	.73%	.81%	.84%	.77%
TOTAL COMPENSATION OF GROUP PHYSICIANS	39.46%	37.17%	40.95%	36.10%	38.13%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 6A: Number of Responding Medical Groups by Size of Medical Group for Multispecialty Groups

	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
NUMBER OF RESPONDING GROUPS	61	116	58	47	44	65

Table 6B: Mean Number of FTE Employees per FTE Physician by Size of Medical Group for Multispecialty Groups

EMPLOYEE CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
TOTAL GROUP EMPLOYEES PER FTE PHYSICIAN	4.50	4.00	4.11	4.58	4.54	4.71
Executive staff	.34	.17	.14	.14	.12	.10
Business office	.89	.68	.62	.65	.59	.57
Data processing	.35	.23	.14	.16	.16	.13
Other administrative	.30	.20	.13	.20	.18	.21
Registered nurses	.63	.51	.51	.47	.44	.60
Licensed practical nurses, aides	.91	.72	.71	.90	.85	.73
Medical receptionists	.58	.55	.60	.68	.61	.65
Medical secretaries/transcribers	.38	.30	.23	.22	.28	.30
Medical records	.32	.29	.36	.40	.40	.34
Nonphysician providers	.34	.20	.11	.15	.13	.15
Laboratory	.48	.36	.34	.34	.36	.35
Radiology	.42	.21	.19	.22	.23	.24
Physical therapy	.75	.33	.09	.13	.10	.08
Optical	*	*	.16	.08	.08	.06
Housekeeping/maintenance/security	.28	.17	.18	.15	.17	.16
Certified reg. nurse anesthetists	*	.19	*	*	*	.09
Other support	.52	.44	.25	.33	.24	.45

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Graph 6B: Mean Number of FTE Employees per FTE Physician by Size of Medical Group for Multispecialty Groups

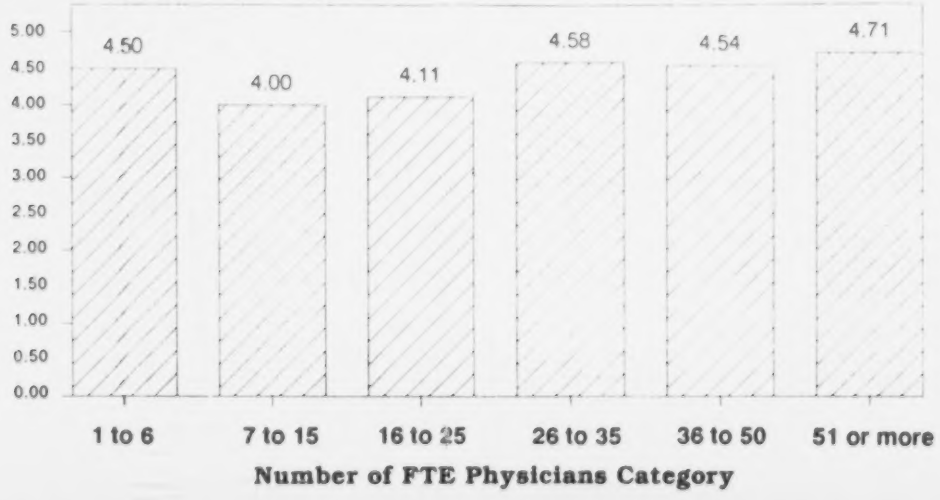

Table 6C: Mean Revenue per FTE Physician by Size of Medical Group for Multispecialty Groups

REVENUE CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
TOTAL PATIENT CHARGES	$427,210	$365,298	$395,477	$426,346	$429,737	$455,439
Gross fee-for-service charges	$421,299	$344,935	$374,698	$361,004	$367,238	$362,947
Prepaid patient charges	$37,918	$61,142	$50,352	$151,388	$134,873	$135,308
ADJUSTMENTS	$53,574	$43,664	$44,482	$44,452	$44,046	$46,373
BAD DEBTS AND WRITE-OFFS	$25,414	$20,612	$17,202	$18,860	$28,618	$17,732
NET PREPAID REVENUE	$55,406	$66,369	$52,419	$130,498	$91,249	$111,994
Capitation revenue	$24,089	$82,789	$76,922	$167,059	$130,709	$131,859
Other prepaid revenue	*	$24,119	$13,308	$34,604	$13,708	$14,640
Professional/med. purchased services	*	$77,201	$48,518	$74,927	$56,407	$56,911
FEE-FOR-SERVICE CASH COLLECTIONS	$341,731	$282,181	$308,007	$297,115	$310,610	$292,699
OTHER REVENUE	$21,266	$7,354	$5,908	$8,114	$8,112	$16,138
TOTAL CASH COLLECTIONS	$353,879	$310,077	$333,578	$348,197	$364,793	$378,826

Table 6D: Mean Accounts Receivable Aging by Size of Medical Group for Multispecialty Groups

ACCOUNTS RECEIVABLE CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
TOTAL ACCOUNTS RECEIVABLE - $/FTE PHY.	$103,680	$85,338	$106,097	$98,176	$117,543	$103,076
Accounts receivable - 0 to 30 days	$32,821	$27,758	$31,448	$26,212	$29,840	$31,063
Accounts receivable - 31 to 60 days	$16,989	$15,842	$17,569	$17,679	$18,223	$18,739
Accounts receivable - 61 to 90 days	$10,058	$8,750	$11,534	$10,235	$12,088	$12,356
Accounts receivable - 91 TO 120 days	$11,360	$7,009	$9,103	$9,640	$10,816	$10,956
Accounts receivable - over 120 days	$42,158	$27,171	$37,438	$32,758	$48,699	$35,242
PER CENT OF TOTAL ACCOUNTS RECEIVABLE	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Accounts receivable - 0 to 30 days	35.38%	33.92%	31.17%	26.99%	28.47%	30.63%
Accounts receivable - 31 to 60 days	17.25%	17.93%	16.80%	18.90%	16.45%	18.30%
Accounts receivable - 61 to 90 days	9.83%	10.06%	10.66%	11.11%	10.42%	11.69%
Accounts receivable - 91 to 120 days	9.89%	8.20%	7.99%	8.89%	8.78%	9.67%
Accounts receivable - over 120 days	33.22%	30.91%	34.79%	34.95%	36.80%	31.51%

Table 6E: Mean Ratios and Percentages by Size of Medical Group for Multispecialty Groups

RATIOS AND PERCENTAGES	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
ACCOUNTS RECEIVABLE RATIO	3.37	3.42	4.02	3.98	4.24	4.00
GROSS COLLECTION PERCENTAGE	83.00%	83.63%	83.51%	83.05%	84.59%	81.89%
ADJUSTED COLLECTION PERCENTAGE	94.50%	94.26%	94.05%	93.98%	94.18%	94.16%

Table 6F: Mean Breakout of Total Patient Charges by Payor by Size of Medical Group for Multispecialty Groups

PAYOR CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
PERCENT OF TOTAL PATIENT CHARGES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Medicare	29.96%	23.38%	22.87%	24.56%	21.46%	20.33%
Medicaid	8.16%	8.32%	6.65%	6.97%	7.42%	5.14%
Managed care	16.16%	16.41%	19.70%	22.18%	25.97%	29.64%
Commercial, private, workers comp.	51.86%	57.95%	55.16%	50.96%	51.03%	49.48%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 6G: Mean Nonphysician Expenses per FTE Physician by Size of Medical Group for Multispecialty Groups

NONPHYSICIAN EXPENSES CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
NONPHYSICIAN SALARIES SUBTOTAL	$71,859	$68,009	$64,324	$75,060	$77,070	$87,802
Executive staff	$9,118	$6,589	$5,285	$5,052	$5,586	$5,453
Business office	$13,407	$11,479	$9,415	$8,141	$9,016	$9,281
Data processing	$4,736	$3,686	$2,168	$2,500	$2,677	$2,693
Other administrative	$7,701	$2,772	$3,674	$2,505	$2,704	$4,264
Registered nurses	$14,182	$9,982	$12,600	$10,160	$11,370	$12,833
Licensed practical nurses, aides	$15,953	$10,647	$9,857	$11,850	$12,281	$12,364
Medical receptionists	$8,113	$8,733	$8,188	$7,834	$7,682	$8,790
Medical secretaries/transcribers	$4,894	$4,434	$3,864	$3,487	$4,571	$4,621
Medical records	$3,643	$3,449	$4,131	$4,482	$4,477	$4,193
Nonphysician providers	$7,740	$5,908	$3,944	$3,791	$3,969	$4,387
Laboratory	$7,976	$6,903	$6,017	$5,811	$6,624	$7,006
Radiology	$6,557	$4,164	$3,367	$4,052	$4,545	$4,846
Physical therapy	*	$5,794	$2,033	$4,229	$2,217	$2,123
Optical	*	*	$2,065	$1,288	$1,387	$1,220
Housekeeping/maintenance/security	$2,084	$2,293	$1,474	$1,844	$2,494	$2,439
Certified reg. nurse anesthetists	*	*	*	*	*	$5,052
Other support	$6,420	$4,302	$4,060	$3,904	$3,195	$7,705
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	$15,630	$15,493	$14,677	$17,222	$15,830	$19,406
Taxes - FICA, payroll, etc.	$6,569	$6,794	$5,963	$6,477	$6,781	$7,675
Insurance-health/disability/life/etc.	$5,366	$4,572	$4,052	$4,432	$4,955	$5,537
Retirement and/or profit sharing	$5,434	$4,611	$4,244	$4,092	$4,242	$5,432
Other employee benefits	$2,185	$1,578	$962	$971	$758	$1,368
DATA PROCESSING EXPENSES SUBTOTAL	$4,867	$4,072	$3,698	$3,811	$4,241	$4,668
Service bureau fees	$4,909	$3,467	$2,976	$2,098	$1,693	$2,527
Equipment rental/depreciation	$3,250	$2,439	$1,751	$1,539	$1,912	$2,117
Equipment and software maintenance	$1,128	$1,134	$1,165	$938	$1,196	$874
Data processing supplies	$1,070	$1,007	$457	$633	$771	$579
Other data processing expenses	*	$1,136	$493	$324	$790	$1,090
LABORATORY EXPENSES SUBTOTAL	$11,069	$9,739	$9,651	$10,549	$10,032	$8,997
Fees for outside laboratory services	$4,314	$4,179	$5,185	$3,985	$5,365	$3,485
Equipment rental/depreciation	$2,004	$1,496	$950	$1,333	$996	$1,076
Equipment maintenance	$714	$389	$298	$421	$573	$409
Laboratory supplies	$7,204	$5,078	$4,448	$4,169	$4,452	$4,035
Other laboratory expenses	*	$879	$271	$1,140	$374	$525
RADIOLOGY EXPENSES SUBTOTAL	$8,946	$5,232	$4,856	$7,256	$6,026	$7,617
Fees for outside radiology services	$800	$2,787	$2,994	$3,429	$3,679	$2,806
Equipment rental/depreciation	$9,025	$2,116	$1,439	$1,315	$1,412	$2,426
Equipment maintenance	$4,403	$640	$414	$563	$866	$1,010
Radiology supplies	$4,465	$2,328	$2,305	$2,654	$2,553	$2,644
Other radiology expenses	*	$782	$106	$550	$511	$594
PHYSICAL THERAPY EXPENSES SUBTOTAL	$17,262	$8,295	$1,340	$1,738	$1,417	$1,350
Equipment rental/depreciation	*	*	*	$298	$233	$132
Equipment maintenance	*	*	*	$204	$41	$33
Physical therapy supplies	*	$414	$311	$284	$301	$387
Other physical therapy expenses	*	*	*	$648	$2,209	$1,728
OPTICAL EXPENSES SUBTOTAL	*	$1,706	$5,680	$1,826	$2,524	$1,782
Equipment rental/depreciation	*	*	*	*	*	$145
Equipment maintenance	*	*	*	*	*	$32
Optical supplies	*	*	$3,264	$1,753	$2,558	$1,528
Other optical expenses	*	*	*	*	*	$174

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for multispecialty groups.

Table 6G is continued on Page 22.

Table 6H: Mean Nonphysician Expenses as a Percent of Cash Collections by Size of Medical Group for Multispecialty Groups

NONPHYSICIAN EXPENSES CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
NONPHYSICIAN SALARIES SUBTOTAL	21.14%	22.18%	19.71%	21.75%	21.37%	22.90%
Executive staff	2.60%	2.18%	1.62%	1.53%	1.57%	1.42%
Business office	3.90%	3.75%	2.90%	2.40%	2.49%	2.44%
Data processing	1.07%	1.19%	.66%	.73%	.74%	.69%
Other administrative	2.22%	.84%	1.12%	.76%	.73%	1.11%
Registered nurses	4.06%	3.28%	3.95%	3.15%	3.29%	3.34%
Licensed practical nurses, aides	4.61%	3.64%	2.99%	3.41%	3.41%	3.25%
Medical receptionists	2.53%	2.91%	2.56%	2.33%	2.15%	2.27%
Medical secretaries/transcribers	1.27%	1.44%	1.14%	1.02%	1.22%	1.21%
Medical records	1.11%	1.12%	1.29%	1.37%	1.27%	1.10%
Nonphysician providers	2.33%	1.81%	1.06%	1.15%	1.12%	1.16%
Laboratory	2.48%	2.31%	1.80%	1.72%	1.81%	1.82%
Radiology	1.55%	1.30%	1.04%	1.17%	1.25%	1.24%
Physical therapy	*	1.62%	.58%	1.26%	.57%	.53%
Optical	*	*	.54%	.37%	.36%	.32%
Housekeeping/maintenance/security	.57%	.74%	.46%	.54%	.67%	.63%
Certified reg. nurse anesthetists	*	*	*	*	*	1.35%
Other support	1.07%	1.11%	1.31%	1.15%	.82%	1.93%
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	4.66%	4.96%	4.51%	4.95%	4.48%	5.11%
Taxes - FICA, payroll, etc.	2.00%	2.18%	1.82%	1.92%	1.88%	2.00%
Insurance-health/disability/life/etc.	1.57%	1.46%	1.25%	1.29%	1.38%	1.47%
Retirement and/or profit sharing	1.65%	1.45%	1.29%	1.21%	1.18%	1.41%
Other employee benefits	.57%	.51%	.28%	.29%	.22%	.35%
DATA PROCESSING EXPENSES SUBTOTAL	1.45%	1.31%	1.14%	1.06%	1.15%	1.23%
Service bureau fees	1.06%	1.11%	.85%	.61%	.45%	.70%
Equipment rental/depreciation	.96%	.83%	.55%	.45%	.52%	.54%
Equipment and software maintenance	.37%	.37%	.38%	.29%	.32%	.22%
Data processing supplies	.36%	.33%	.14%	.19%	.23%	.15%
Other data processing expenses	*	.33%	.13%	.10%	.18%	.29%
LABORATORY EXPENSES SUBTOTAL	3.43%	3.17%	3.00%	3.05%	2.82%	2.37%
Fees for outside laboratory services	1.38%	1.36%	1.66%	1.22%	1.55%	.93%
Equipment rental/depreciation	.63%	.48%	.27%	.38%	.27%	.28%
Equipment maintenance	.21%	.13%	.08%	.12%	.14%	.10%
Laboratory supplies	2.20%	1.66%	1.31%	1.20%	1.24%	1.06%
Other laboratory expenses	*	.26%	.08%	.32%	.12%	.13%
RADIOLOGY EXPENSES SUBTOTAL	2.09%	1.60%	1.50%	1.94%	1.60%	1.93%
Fees for outside radiology services	.17%	.89%	.90%	1.07%	.92%	.74%
Equipment rental/depreciation	1.63%	.64%	.48%	.36%	.38%	.60%
Equipment maintenance	.88%	.19%	.12%	.16%	.23%	.25%
Radiology supplies	1.04%	.71%	.71%	.74%	.71%	.68%
Other radiology expenses	*	.22%	.03%	.15%	.15%	.14%
PHYSICAL THERAPY EXPENSES SUBTOTAL	3.96%	1.64%	.39%	.46%	.39%	.33%
Equipment rental/depreciation	*	*	*	.09%	.06%	.03%
Equipment maintenance	*	*	*	.06%	.01%	.01%
Physical therapy supplies	*	.14%	.09%	.09%	.08%	.10%
Other physical therapy expenses	*	*	*	.20%	.63%	.42%
OPTICAL EXPENSES SUBTOTAL	*	.46%	1.29%	.54%	.70%	.47%
Equipment rental/depreciation	*	*	*	*	*	.04%
Equipment maintenance	*	*	*	*	*	.01%
Optical supplies	*	*	.78%	.54%	.71%	.40%
Other optical expenses	*	*	*	*	*	.04%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for multispecialty groups.

Table 6H is continued on Page 23.

Table 6G: Mean Nonphysician Expenses per FTE Physician by Size of Medical Group for Multispecialty Groups (continued from Page 20)

NONPHYSICIAN EXPENSES CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	$12,013	$9,077	$11,832	$11,895	$12,769	$13,766
Drugs and medications	$6,037	$3,821	$4,566	$5,020	$6,089	$6,706
General medical supplies/instruments	$6,531	$4,957	$5,422	$6,530	$6,471	$7,770
Laundry and linens	$675	$447	$286	$493	$466	$664
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	$22,691	$20,883	$19,651	$22,591	$22,768	$22,573
Rental/depreciation/occupancy	$18,531	$17,246	$15,110	$17,473	$19,932	$18,822
Utilities	$2,451	$2,415	$2,455	$2,131	$2,550	$2,413
Housekeeping and maintenance supplies	$1,198	$877	$742	$804	$908	$1,105
Contracted janitorial services	$1,568	$1,459	$1,308	$1,726	$1,340	$1,381
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	$5,554	$5,294	$6,340	$6,807	$7,647	$7,521
Rental and depreciation	$4,874	$4,510	$4,561	$6,203	$5,877	$5,960
Other furniture/equipment expenses	$1,605	$1,764	$2,109	$1,313	$1,609	$1,806
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	$6,198	$4,710	$4,539	$5,172	$4,685	$5,231
TELEPHONE EXPENSES SUBTOTAL	$3,821	$3,284	$3,059	$3,701	$3,563	$3,708
INSURANCE PREMIUMS SUBTOTAL	$11,861	$11,775	$12,790	$15,135	$11,530	$12,824
Professional liability	$11,736	$12,034	$13,111	$14,964	$10,522	$11,980
Other insurance	$1,980	$1,287	$567	$681	$694	$760
OUTSIDE PROFESSIONAL FEES SUBTOTAL	$6,714	$4,654	$3,795	$3,049	$4,899	$4,556
Medical (nonphysician) professionals	$6,587	$3,100	$1,238	$1,066	$1,582	$1,522
Legal and accounting	$4,378	$2,130	$1,362	$1,495	$1,399	$1,642
Management consultants	$3,452	$1,642	$1,219	$761	$715	$963
Other nonphysician consultants	$1,011	$1,452	$846	$840	$1,770	$1,113
PROMOTION/MARKETING EXPENSES SUBTOTAL	$2,811	$1,842	$1,596	$1,818	$2,278	$2,121
GROUP INTEREST EXPENSES SUBTOTAL	$2,933	$2,954	$2,999	$2,240	$2,483	$3,586
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	$14,402	$7,865	$5,938	$7,610	$12,141	$8,407
TOTAL NONPHYSICIAN EXPENSES	$191,573	$169,666	$169,058	$190,062	$197,238	$214,306

Table 6I: Mean Physician Expenses and Earnings per FTE Physician by Size of Medical Group for Multispecialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	$14,094	$10,759	$8,128	$8,693	$8,479	$7,421
Fees to consulting pathologists	*	$8,511	*	*	$1,766	$764
Fees to consulting radiologists	*	$6,443	$6,568	$5,203	$4,514	$4,067
Fees to other consulting physicians	*	$5,862	$4,241	$6,510	$4,218	$6,977
NET INCOME BEFORE DISTRIBUTION TO GROUP	$161,497	$134,555	$157,428	$152,626	$162,503	$160,196
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	$33,902	$22,243	$20,707	$20,705	$18,870	$21,594
Payroll taxes	$6,500	$6,018	$3,504	$3,360	$3,500	$3,472
Insurance-health/disability/life/etc.	$4,477	$3,643	$3,581	$3,973	$3,541	$3,813
Retirement and/or profit sharing	$13,094	$11,013	$10,944	$11,595	$11,001	$12,228
Dues, memberships, and license fees	$2,392	$1,303	$1,492	$1,404	$1,069	$1,214
Meetings and travel	$2,908	$2,529	$1,900	$1,817	$1,978	$2,192
Other physician benefits	$4,449	$3,010	$2,577	$2,056	$1,842	$2,124
TOTAL COMPENSATION OF GROUP PHYSICIANS	$129,144	$120,539	$136,544	$134,672	$141,315	$136,097

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 6H: Mean Nonphysician Expenses as a Percent of Cash Collections by Size of Medical Group for Multispecialty Groups (continued from Page 21)

NONPHYSICIAN EXPENSES CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	3.52%	2.94%	3.41%	3.47%	3.62%	3.61%
Drugs and medications	1.76%	1.28%	1.44%	1.51%	1.65%	1.76%
General medical supplies/instruments	1.80%	1.60%	1.63%	1.93%	1.81%	1.99%
Laundry and linens	.21%	.15%	.09%	.14%	.13%	.18%
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	6.58%	6.94%	6.15%	6.48%	6.26%	5.99%
Rental/depreciation/occupancy	5.23%	5.64%	4.76%	5.12%	5.41%	4.91%
Utilities	.78%	.79%	.79%	.63%	.69%	.64%
Housekeeping and maintenance supplies	.38%	.28%	.23%	.23%	.25%	.28%
Contracted janitorial services	.52%	.50%	.43%	.53%	.36%	.37%
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	1.63%	1.65%	1.90%	1.94%	2.50%	1.97%
Rental and depreciation	1.23%	1.41%	1.38%	1.77%	1.69%	1.53%
Other furniture/equipment expenses	.45%	.59%	.64%	.38%	.45%	.47%
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	1.73%	1.54%	1.43%	1.53%	1.30%	1.38%
TELEPHONE EXPENSES SUBTOTAL	1.15%	1.07%	.98%	1.08%	.99%	.97%
INSURANCE PREMIUMS SUBTOTAL	3.44%	3.95%	3.92%	4.38%	3.13%	3.43%
Professional liability	3.39%	4.02%	3.94%	4.41%	2.90%	3.14%
Other insurance	.46%	.41%	.19%	.21%	.19%	.19%
OUTSIDE PROFESSIONAL FEES SUBTOTAL	1.84%	1.51%	1.25%	.87%	1.25%	1.35%
Medical (nonphysician) professionals	1.62%	.91%	.37%	.29%	.43%	.40%
Legal and accounting	1.12%	.69%	.41%	.46%	.38%	.42%
Management consultants	.91%	.51%	.43%	.27%	.18%	.26%
Other nonphysician consultants	.28%	.47%	.29%	.24%	.41%	.29%
PROMOTION/MARKETING EXPENSES SUBTOTAL	.67%	.56%	.45%	.53%	.60%	.56%
GROUP INTEREST EXPENSES SUBTOTAL	.86%	.95%	.89%	.68%	.71%	.91%
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	3.48%	2.71%	1.63%	2.40%	3.09%	2.38%
TOTAL NONPHYSICIAN EXPENSES	53.84%	55.14%	51.34%	55.00%	54.66%	56.44%

Table 6J: Mean Physician Expenses and Earnings as a Percent of Cash Collections by Size of Medical Group for Multispecialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	NUMBER OF FTE PHYSICIANS CATEGORY					
	1 TO 6	7 TO 15	16 TO 25	26 TO 35	36 TO 50	51 OR MORE
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	3.67%	3.56%	2.82%	2.28%	2.46%	1.93%
Fees to consulting pathologists	*	2.58%	*	*	.56%	.20%
Fees to consulting radiologists	*	2.10%	1.98%	1.29%	1.28%	.99%
Fees to other consulting physicians	*	2.01%	1.10%	1.95%	1.31%	1.78%
NET INCOME BEFORE DISTRIBUTION TO GROUP	46.27%	43.29%	47.00%	43.52%	43.71%	42.13%
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	9.67%	7.18%	6.49%	6.01%	5.23%	5.85%
Payroll taxes	1.84%	1.75%	1.13%	1.01%	1.02%	.93%
Insurance-health/disability/life/etc.	1.48%	1.20%	1.13%	1.17%	1.02%	1.01%
Retirement and/or profit sharing	3.99%	3.44%	3.32%	3.40%	3.06%	3.20%
Dues, memberships, and license fees	.63%	.43%	.47%	.41%	.29%	.33%
Meetings and travel	.81%	.81%	.52%	.55%	.56%	.57%
Other physician benefits	1.40%	.89%	.83%	.60%	.51%	.57%
TOTAL COMPENSATION OF GROUP PHYSICIANS	38.32%	38.59%	40.02%	37.99%	37.91%	35.71%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 7A: Number of Responding Medical Groups by Percent Prepaid Income for Multispecialty Groups

	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
NUMBER OF RESPONDING GROUPS	212	73	36	36	34

Table 7B: Mean Number of FTE Employees per FTE Physician by Percent Prepaid Income for Multispecialty Groups

EMPLOYEE CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
TOTAL GROUP EMPLOYEES PER FTE PHYSICIAN	4.22	4.00	4.19	5.03	5.31
Executive staff	.19	.14	.16	.12	.17
Business office	.70	.59	.62	.72	.63
Data processing	.21	.16	.17	.18	.18
Other administrative	.20	.15	.15	.26	.29
Registered nurses	.54	.46	.55	.60	.50
Licensed practical nurses, aides	.78	.70	.79	.82	.98
Medical receptionists	.58	.55	.56	.64	.91
Medical secretaries/transcribers	.29	.32	.28	.29	.20
Medical records	.32	.30	.30	.41	.50
Nonphysician providers	.18	.12	.14	.21	.24
Laboratory	.37	.38	.32	.37	.38
Radiology	.24	.22	.21	.23	.26
Physical therapy	.27	.10	.10	.11	.11
Optical	.10	.07	.04	.06	.11
Housekeeping/maintenance/security	.19	.14	.19	.18	.17
Certified reg. nurse anesthetists	.16	.12	*	*	*
Other support	.34	.31	.30	.52	.53

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Graph 7B: Mean Number of FTE Employees per FTE Physician by Percent Prepaid Income for Multispecialty Groups

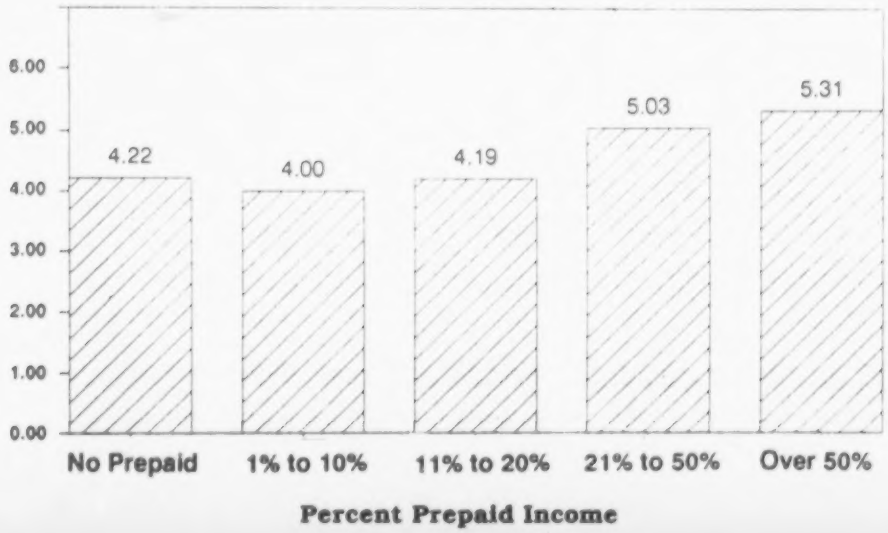

Table 7C: Mean Revenue per FTE Physician by Percent Prepaid Income for Multispecialty Groups

REVENUE CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
TOTAL PATIENT CHARGES	$419,402	$379,358	$372,288	$459,333	$396,201
Gross fee-for-service charges	$415,589	$364,091	$318,928	$301,148	$179,320
Prepaid patient charges	*	$22,395	$67,563	$158,185	$281,521
ADJUSTMENTS	$49,559	$50,019	$46,362	$35,772	$17,050
BAD DEBTS AND WRITE-OFFS	$20,732	$25,369	$12,091	$28,455	$12,277
NET PREPAID REVENUE	*	$13,715	$49,045	$121,439	$256,693
Capitation revenue	*	$17,033	$59,270	$163,574	$344,298
Other prepaid revenue	*	$3,967	$17,775	$19,737	$35,337
Professional/med. purchased services	*	$10,025	$24,330	$77,145	$132,037
FEE-FOR-SERVICE CASH COLLECTIONS	$341,923	$290,839	$265,623	$244,573	$122,352
OTHER REVENUE	$10,802	$9,989	$7,492	$14,114	$11,940
TOTAL CASH COLLECTIONS	$349,812	$312,696	$320,072	$374,527	$351,488

Table 7D: Mean Accounts Receivable Aging by Percent Prepaid Income for Multispecialty Groups

ACCOUNTS RECEIVABLE CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
TOTAL ACCOUNTS RECEIVABLE - $/FTE PHY.	$113,038	$94,952	$88,763	$94,069	$41,530
Accounts receivable - 0 to 30 days	$35,090	$27,686	$25,119	$25,349	$11,094
Accounts receivable - 31 to 60 days	$19,681	$17,801	$13,681	$15,698	$7,180
Accounts receivable - 61 to 90 days	$11,599	$10,983	$9,014	$10,421	$4,809
Accounts receivable - 91 TO 120 days	$10,987	$7,683	$8,342	$10,620	$3,530
Accounts receivable - over 120 days	$40,907	$31,261	$34,846	$32,900	$16,854
PER CENT OF TOTAL ACCOUNTS RECEIVABLE	100.00%	100.00%	100.00%	100.00%	100.00%
Accounts receivable - 0 to 30 days	33.38%	30.00%	31.99%	29.51%	26.82%
Accounts receivable - 31 to 60 days	17.61%	19.02%	15.81%	17.41%	17.28%
Accounts receivable - 61 to 90 days	10.11%	11.42%	9.98%	11.31%	11.09%
Accounts receivable - 91 to 120 days	9.08%	7.86%	8.99%	10.20%	7.58%
Accounts receivable - over 120 days	32.33%	32.17%	35.48%	33.60%	37.24%

Table 7E: Mean Ratios and Percentages by Percent Prepaid Income for Multispecialty Groups

RATIOS AND PERCENTAGES	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
ACCOUNTS RECEIVABLE RATIO	3.67	3.56	4.00	4.32	3.75
GROSS COLLECTION PERCENTAGE	83.55%	81.74%	85.31%	82.86%	83.03%
ADJUSTED COLLECTION PERCENTAGE	93.75%	94.39%	99.03%	92.86%	90.81%

Table 7F: Mean Breakout of Total Patient Charges by Payor by Percent Prepaid Income for Multispecialty Groups

PAYOR CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
PERCENT OF TOTAL PATIENT CHARGES	100.00%	100.00%	100.00%	100.00%	100.00%
Medicare	27.46%	23.27%	20.86%	17.96%	6.12%
Medicaid	8.09%	7.78%	6.02%	4.90%	1.44%
Managed care	12.51%	12.65%	20.91%	37.24%	69.42%
Commercial, private, workers comp.	58.29%	56.32%	53.28%	40.32%	27.45%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 7G: Mean Nonphysician Expenses per FTE Physician by Percent Prepaid Income for Multispecialty Groups

NONPHYSICIAN EXPENSES CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
NONPHYSICIAN SALARIES SUBTOTAL	$69,570	$67,785	$69,879	$88,906	$93,435
Executive staff	$6,051	$5,643	$5,564	$6,518	$7,343
Business office	$10,628	$9,591	$9,151	$9,773	$10,365
Data processing	$3,039	$2,554	$3,294	$2,983	$2,852
Other administrative	$3,421	$2,382	$3,316	$5,018	$5,491
Registered nurses	$11,338	$10,026	$13,924	$14,199	$12,178
Licensed practical nurses, aides	$12,145	$9,828	$12,401	$11,385	$16,030
Medical receptionists	$7,871	$8,007	$7,764	$10,306	$10,748
Medical secretaries/transcribers	$4,572	$4,191	$3,976	$4,316	$3,784
Medical records	$4,011	$3,621	$3,734	$4,330	$5,523
Nonphysician providers	$5,046	$3,673	$3,924	$5,009	$7,096
Laboratory	$6,625	$6,815	$5,727	$6,819	$7,995
Radiology	$4,139	$4,374	$3,783	$4,831	$5,926
Physical therapy	$3,938	$3,993	$1,936	$3,736	$2,475
Optical	$1,606	$1,241	$589	$1,242	$2,158
Housekeeping/maintenance/security	$2,080	$1,862	$2,428	$2,851	$2,277
Certified reg. nurse anesthetists	$7,902	$6,000	*	*	*
Other support	$4,951	$4,473	$4,450	$7,615	$6,645
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	$15,810	$15,969	$15,253	$17,789	$19,432
Taxes - FICA, payroll, etc.	$6,271	$7,236	$5,925	$7,698	$8,940
Insurance-health/disability/life/etc.	$4,582	$4,541	$3,994	$6,221	$6,702
Retirement and/or profit sharing	$5,182	$4,568	$5,930	$4,540	$3,764
Other employee benefits	$1,250	$1,092	$1,149	$1,173	$2,470
DATA PROCESSING EXPENSES SUBTOTAL	$4,123	$3,978	$3,791	$4,866	$5,055
Service bureau fees	$3,243	$3,200	$1,254	$2,082	$2,830
Equipment rental/depreciation	$2,162	$1,697	$2,014	$2,553	$2,724
Equipment and software maintenance	$1,009	$962	$1,154	$1,189	$1,403
Data processing supplies	$853	$778	$590	$729	$451
Other data processing expenses	$974	$853	$478	$817	$943
LABORATORY EXPENSES SUBTOTAL	$10,072	$9,250	$9,055	$10,594	$10,674
Fees for outside laboratory services	$4,036	$3,719	$4,658	$4,798	$6,391
Equipment rental/depreciation	$1,489	$1,081	$1,155	$1,100	$671
Equipment maintenance	$506	$354	$416	$403	$306
Laboratory supplies	$5,264	$4,494	$4,073	$3,684	$4,460
Other laboratory expenses	$1,259	$507	$272	$532	$138
RADIOLOGY EXPENSES SUBTOTAL	$6,499	$5,669	$5,598	$8,089	$5,863
Fees for outside radiology services	$3,156	$2,859	$1,915	$4,843	$1,443
Equipment rental/depreciation	$2,764	$1,738	$1,515	$2,460	$1,457
Equipment maintenance	$1,092	$681	$767	$1,133	$532
Radiology supplies	$2,736	$2,452	$2,192	$2,764	$2,518
Other radiology expenses	$1,163	$482	$181	$371	$232
PHYSICAL THERAPY EXPENSES SUBTOTAL	$5,878	$1,469	$2,523	$2,685	$1,130
Equipment rental/depreciation	$323	$167	$180	$273	$94
Equipment maintenance	$177	$36	$80	$99	$23
Physical therapy supplies	$418	$336	$223	$354	$361
Other physical therapy expenses	$1,286	$3,088	$2,696	*	$183
OPTICAL EXPENSES SUBTOTAL	$3,492	$2,320	$2,379	$1,699	$1,737
Equipment rental/depreciation	$319	$1,078	$340	$392	*
Equipment maintenance	$31	$48	*	*	*
Optical supplies	$2,411	$1,837	$1,936	$1,365	$1,922
Other optical expenses	$658	*	*	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for multispecialty groups.

Table 7G is continued on Page 28.

Table 7H: Mean Nonphysician Expenses as a Percent of Cash Collections by Percent Prepaid Income for Multispecialty Groups

NONPHYSICIAN EXPENSES CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
NONPHYSICIAN SALARIES SUBTOTAL	20.32%	21.85%	21.88%	23.96%	26.32%
Executive staff	1.73%	1.81%	1.85%	1.77%	2.16%
Business office	3.00%	3.13%	3.10%	2.66%	3.00%
Data processing	.83%	.80%	1.00%	.81%	.82%
Other administrative	.98%	.69%	.97%	1.32%	1.49%
Registered nurses	3.20%	3.20%	4.82%	3.66%	3.47%
Licensed practical nurses, aides	3.54%	3.10%	3.66%	3.10%	4.58%
Medical receptionists	2.26%	2.57%	2.61%	2.83%	3.17%
Medical secretaries/transcribers	1.24%	1.35%	1.19%	1.12%	1.12%
Medical records	1.15%	1.16%	1.22%	1.15%	1.59%
Nonphysician providers	1.39%	1.14%	1.19%	1.34%	2.09%
Laboratory	1.97%	2.10%	1.87%	1.80%	2.17%
Radiology	1.11%	1.30%	1.23%	1.29%	1.65%
Physical therapy	.84%	1.09%	.58%	1.06%	.67%
Optical	.43%	.32%	.19%	.31%	.55%
Housekeeping/maintenance/security	.58%	.59%	.70%	.76%	.60%
Certified reg. nurse anesthetists	2.16%	1.59%	*	*	*
Other support	1.23%	1.27%	1.16%	1.83%	1.76%
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	4.61%	5.08%	4.72%	4.79%	5.59%
Taxes - FICA, payroll, etc.	1.81%	2.23%	1.89%	2.06%	2.55%
Insurance-health/disability/life/etc.	1.29%	1.43%	1.31%	1.68%	2.00%
Retirement and/or profit sharing	1.49%	1.39%	1.20%	1.20%	.98%
Other employee benefits	.34%	.35%	.39%	.32%	.72%
DATA PROCESSING EXPENSES SUBTOTAL	1.18%	1.28%	1.23%	1.29%	1.41%
Service bureau fees	.83%	1.02%	.44%	.58%	.78%
Equipment rental/depreciation	.64%	.51%	.65%	.66%	.80%
Equipment and software maintenance	.31%	.29%	.39%	.31%	.41%
Data processing supplies	.26%	.24%	.19%	.19%	.15%
Other data processing expenses	.25%	.26%	.15%	.22%	.25%
LABORATORY EXPENSES SUBTOTAL	3.02%	2.94%	2.99%	2.85%	3.07%
Fees for outside laboratory services	1.21%	1.18%	1.60%	1.29%	1.96%
Equipment rental/depreciation	.43%	.32%	.38%	.29%	.18%
Equipment maintenance	.14%	.10%	.13%	.10%	.08%
Laboratory supplies	1.55%	1.39%	1.31%	.97%	1.23%
Other laboratory expenses	.34%	.16%	.08%	.13%	.04%
RADIOLOGY EXPENSES SUBTOTAL	1.70%	1.72%	1.76%	2.12%	1.57%
Fees for outside radiology services	.88%	.83%	.64%	1.36%	.39%
Equipment rental/depreciation	.66%	.50%	.49%	.63%	.40%
Equipment maintenance	.25%	.20%	.23%	.28%	.15%
Radiology supplies	.72%	.74%	.72%	.72%	.72%
Other radiology expenses	.27%	.14%	.05%	.09%	.07%
PHYSICAL THERAPY EXPENSES SUBTOTAL	1.17%	.38%	.81%	.67%	.27%
Equipment rental/depreciation	.08%	.05%	.05%	.09%	.02%
Equipment maintenance	.05%	.01%	.02%	.03%	.01%
Physical therapy supplies	.11%	.10%	.06%	.10%	.10%
Other physical therapy expenses	.32%	.73%	.94%	*	.05%
OPTICAL EXPENSES SUBTOTAL	.86%	.67%	.74%	.42%	.44%
Equipment rental/depreciation	.09%	.40%	.12%	.11%	*
Equipment maintenance	.01%	.02%	*	*	*
Optical supplies	.65%	.48%	.61%	.33%	.48%
Other optical expenses	.16%	*	*	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for multispecialty groups.

Table 7H is continued on Page 29.

Table 7G: Mean Nonphysician Expenses per FTE Physician by Percent Prepaid Income for Multispecialty Groups (continued from Page 26)

NONPHYSICIAN EXPENSES CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	$11,089	$10,191	$10,903	$14,825	$13,606
Drugs and medications	$5,227	$5,361	$5,192	$5,709	$4,662
General medical supplies/instruments	$6,420	$5,471	$5,694	$7,332	$6,387
Laundry and linens	$482	$495	$437	$628	$637
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	$21,048	$19,410	$20,545	$25,402	$27,959
Rental/depreciation/occupancy	$17,100	$16,583	$15,095	$20,966	$25,514
Utilities	$2,343	$2,400	$2,684	$2,627	$2,131
Housekeeping and maintenance supplies	$931	$836	$681	$1,150	$1,398
Contracted janitorial services	$1,457	$1,439	$1,376	$1,334	$1,663
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	$6,507	$5,510	$6,510	$7,332	$6,233
Rental and depreciation	$5,518	$4,825	$5,637	$5,311	$4,7[illegible]
Other furniture/equipment expenses	$1,900	$1,348	$1,623	$2,075	$1,403
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	$5,288	$4,176	$3,972	$6,183	$5,371
TELEPHONE EXPENSES SUBTOTAL	$3,412	$3,231	$3,046	$4,060	$4,352
INSURANCE PREMIUMS SUBTOTAL	$12,973	$11,515	$12,113	$13,671	$10,885
Professional liability	$13,493	$11,084	$10,642	$12,869	$9,568
Other insurance	$1,047	$885	$894	$1,072	$769
OUTSIDE PROFESSIONAL FEES SUBTOTAL	$4,820	$3,574	$5,229	$5,380	$4,132
Medical (nonphysician) professionals	$2,817	$1,806	$1,912	$1,399	$2,339
Legal and accounting	$2,264	$1,657	$1,367	$1,830	$1,742
Management consultants	$1,440	$1,100	$924	$700	$989
Other nonphysician consultants	$1,322	$838	$2,113	$965	$1,090
PROMOTION/MARKETING EXPENSES SUBTOTAL	$2,086	$1,997	$1,371	$2,327	$2,150
GROUP INTEREST EXPENSES SUBTOTAL	$2,634	$3,198	$2,243	$4,601	$2,685
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	$9,429	$7,183	$9,873	$9,478	$8,655
TOTAL NONPHYSICIAN EXPENSES	$181,828	$169,789	$176,504	$223,033	$217,305

Table 7I: Mean Physician Expenses and Earnings per FTE Physician by Percent Prepaid Income for Multispecialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	$8,724	$8,284	$8,724	$11,345	$11,329
Fees to consulting pathologists	$822	$4,210	$6,165	$1,237	*
Fees to consulting radiologists	$5,715	$5,116	$4,650	$6,548	$3,075
Fees to other consulting physicians	$5,195	$4,826	$4,931	$8,978	$11,681
NET INCOME BEFORE DISTRIBUTION TO GROUP	$165,774	$137,110	$137,129	$144,275	$126,099
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	$26,243	$21,917	$20,069	$18,135	$14,823
Payroll taxes	$4,884	$4,730	$3,507	$3,398	$3,254
Insurance-health/disability/life/etc.	$3,863	$3,925	$3,592	$3,468	$3,645
Retirement and/or profit sharing	$13,565	$10,959	$9,246	$9,654	$6,492
Dues, memberships, and license fees	$1,725	$1,270	$914	$1,151	$929
Meetings and travel	$2,472	$2,055	$1,928	$2,211	$1,420
Other physician benefits	$2,974	$2,354	$2,184	$2,120	$2,211
TOTAL COMPENSATION OF GROUP PHYSICIANS	$142,660	$117,480	$116,500	$127,573	$110,690

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 7H: Mean Nonphysician Expenses as a Percent of Cash Collections by Percent Prepaid Income for Multispecialty Groups (continued from Page 27)

NONPHYSICIAN EXPENSES CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	3.24%	3.27%	3.28%	3.88%	3.75%
Drugs and medications	1.51%	1.69%	1.53%	1.53%	1.32%
General medical supplies/instruments	1.79%	1.70%	1.80%	1.93%	1.77%
Laundry and linens	.14%	.16%	.14%	.17%	.18%
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	6.22%	6.33%	6.43%	6.93%	8.05%
Rental/depreciation/occupancy	4.84%	5.30%	4.97%	5.70%	7.07%
Utilities	.68%	.76%	.88%	.70%	.60%
Housekeeping and maintenance supplies	.27%	.25%	.21%	.31%	.38%
Contracted janitorial services	.44%	.46%	.54%	.36%	.46%
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	1.93%	1.79%	1.88%	1.97%	1.71%
Rental and depreciation	1.53%	1.46%	1.67%	1.40%	1.33%
Other furniture/equipment expenses	.56%	.43%	.46%	.55%	.38%
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	1.55%	1.36%	1.28%	1.69%	1.47%
TELEPHONE EXPENSES SUBTOTAL	1.00%	1.04%	1.00%	1.10%	1.27%
INSURANCE PREMIUMS SUBTOTAL	3.84%	3.83%	3.65%	3.66%	3.04%
Professional liability	3.88%	3.58%	3.44%	3.51%	2.66%
Other insurance	.27%	.28%	.29%	.30%	.21%
OUTSIDE PROFESSIONAL FEES SUBTOTAL	1.44%	1.16%	1.64%	1.38%	1.14%
Medical (nonphysician) professionals	.70%	.57%	.59%	.35%	.67%
Legal and accounting	.63%	.51%	.45%	.49%	.50%
Management consultants	.41%	.34%	.37%	.18%	.27%
Other nonphysician consultants	.37%	.27%	.56%	.24%	.29%
PROMOTION/MARKETING EXPENSES SUBTOTAL	.54%	.63%	.40%	.64%	.59%
GROUP INTEREST EXPENSES SUBTOTAL	.78%	1.00%	.70%	1.26%	.70%
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	2.70%	2.34%	2.72%	2.37%	2.57%
TOTAL NONPHYSICIAN EXPENSES	52.48%	54.85%	55.09%	59.72%	60.36%

Table 7J: Mean Physician Expenses and Earnings as a Percent of Cash Collections by Percent Prepaid Income for Multispecialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	PERCENT PREPAID INCOME				
	NO PREPAID	1% TO 10%	11% TO 20%	21% TO 50%	OVER 50%
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	2.58%	2.61%	3.07%	3.14%	3.09%
Fees to consulting pathologists	.26%	1.06%	2.18%	.32%	*
Fees to consulting radiologists	1.64%	1.52%	1.57%	1.78%	.79%
Fees to other consulting physicians	1.34%	1.46%	1.62%	2.52%	3.08%
NET INCOME BEFORE DISTRIBUTION TO GROUP	46.80%	43.41%	42.50%	38.29%	37.88%
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	7.50%	6.93%	6.54%	4.89%	4.88%
Payroll taxes	1.35%	1.47%	1.18%	.88%	.99%
Insurance-health/disability/life/etc.	1.14%	1.25%	1.24%	.90%	1.08%
Retirement and/or profit sharing	3.86%	3.35%	2.94%	2.52%	1.94%
Dues, memberships, and license fees	.47%	.43%	.31%	.31%	.27%
Meetings and travel	.68%	.64%	.62%	.61%	.40%
Other physician benefits	.86%	.76%	.61%	.57%	.68%
TOTAL COMPENSATION OF GROUP PHYSICIANS	40.65%	37.21%	36.18%	34.24%	31.34%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for multispecialty groups.

Table 8A: Number of Responding Medical Groups for Selected Single Specialty Groups

	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
NUMBER OF RESPONDING GROUPS	17	42	8	68	42	8	36	22

Table 8B: Mean Number of FTE Employees per FTE Physician for Selected Single Specialty Groups

EMPLOYEE CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
TOTAL GROUP EMPLOYEES PER FTE PHYSICIAN	1.85	3.91	5.37	4.19	3.42	4.44	4.07	8.26
Executive staff	.09	.30	.45	.30	.17	.25	.30	.48
Business office	.44	.75	.88	.75	.57	.77	.70	1.22
Data processing	.08	.36	.42	.27	.20	*	.30	.30
Other administrative	.11	.28	*	.43	.24	*	.31	.54
Registered nurses	.10	.70	*	.59	.62	*	.75	.94
Licensed practical nurses, aides	*	.73	1.32	.86	.67	*	.82	1.51
Medical receptionists	*	.47	1.27	.71	.45	.71	.80	1.27
Medical secretaries/transcribers	*	.41	*	.30	.41	.76	.29	.44
Medical records	*	.27	*	.28	.28	.39	.30	.36
Nonphysician providers	*	.50	*	.33	.36	.39	.43	1.11
Laboratory	*	.28	*	.40	.39	*	.40	*
Radiology	*	.30	*	.26	.18	*	.30	*
Physical therapy	*	*	*	*	*	*	*	*
Optical	*	*	*	*	*	*	*	1.39
Housekeeping/maintenance/security	*	*	*	.20	.08	*	.27	.32
Certified reg. nurse anesthetists	1.42	*	*	*	*	*	*	*
Other support	*	.68	*	.96	.19	.39	.74	1.25

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Graph 8B: Mean Number of FTE Employees per FTE Physician for Selected Single Specialty Group Types

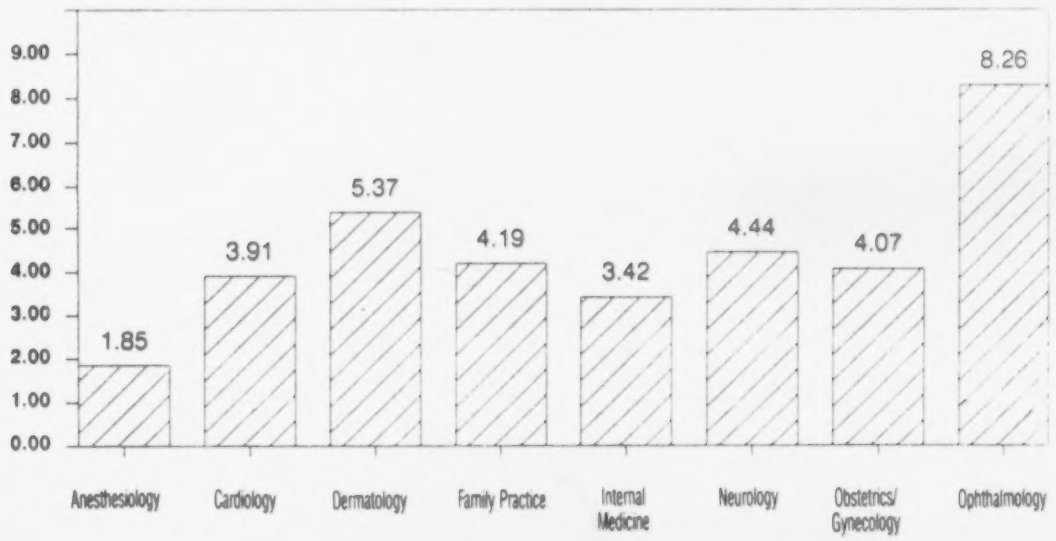

Table 8C: Mean Revenue per FTE Physician for Selected Single Specialty Groups

REVENUE CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
TOTAL PATIENT CHARGES	$483,205	$631,438	$558,313	$302,810	$352,271	$418,505	$560,974	$992,200
Gross fee-for-service charges	$485,450	$629,190	$572,489	$276,990	$351,220	$461,208	$557,944	$973,140
Prepaid patient charges	*	*	*	$57,070	*	*	*	*
ADJUSTMENTS	$76,448	$82,963	$52,380	$27,025	$29,673	$49,055	$56,081	$154,561
BAD DEBTS AND WRITE-OFFS	$57,978	$19,633	$24,465	$16,217	$14,127	$43,444	$28,602	$19,948
NET PREPAID REVENUE	*	*	*	$80,420	$51,298	*	*	*
Capitation revenue	*	*	*	$72,637	*	*	*	*
Other prepaid revenue	*	*	*	$19,508	*	*	*	*
Professional/med. purchased services	*	*	*	$31,519	*	*	*	*
FEE-FOR-SERVICE CASH COLLECTIONS	$339,788	$481,395	$481,968	$235,840	$308,396	$372,677	$477,997	$807,526
OTHER REVENUE	$8,773	$22,710	*	$14,486	$12,163	$43,584	$11,491	$16,938
TOTAL CASH COLLECTIONS	$368,317	$519,103	$483,561	$270,919	$316,110	$441,736	$486,449	$827,878

Table 8D: Mean Accounts Receivable Aging for Selected Single Specialty Groups

ACCOUNTS RECEIVABLE CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
TOTAL ACCOUNTS RECEIVABLE - $/FTE PHY.	$118,958	$160,167	$64,020	$72,288	$74,596	$175,321	$124,898	$168,142
Accounts receivable - 0 to 30 days	$36,200	$52,923	*	$22,864	$23,891	$36,884	$47,426	$75,876
Accounts receivable - 31 to 60 days	$30,166	$26,376	$13,545	$10,762	$12,782	$27,230	$20,229	$27,318
Accounts receivable - 61 to 90 days	$15,370	$14,493	$6,824	$6,677	$7,509	$17,972	$11,829	$13,672
Accounts receivable - 91 TO 120 days	$9,735	$9,970	$4,119	$5,919	$6,590	$11,661	$13,691	$10,208
Accounts receivable - over 120 days	$27,812	$46,846	$9,831	$29,411	$23,024	$81,574	$32,648	$43,281
PER CENT OF TOTAL ACCOUNTS RECEIVABLE	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Accounts receivable - 0 to 30 days	32.17%	36.80%	*	36.26%	37.05%	27.05%	41.56%	46.49%
Accounts receivable - 31 to 60 days	24.91%	18.77%	20.80%	16.21%	17.69%	15.79%	17.85%	17.75%
Accounts receivable - 61 to 90 days	12.75%	10.09%	10.58%	9.88%	10.16%	9.80%	10.21%	8.91%
Accounts receivable - 91 to 120 days	7.98%	6.66%	6.40%	8.63%	9.25%	7.00%	12.21%	6.62%
Accounts receivable - over 120 days	22.39%	28.60%	15.15%	33.10%	27.77%	40.36%	24.88%	21.35%

Table 8E: Mean Ratios and Percentages for Selected Single Specialty Groups

RATIOS AND PERCENTAGES	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
ACCOUNTS RECEIVABLE RATIO	3.99	3.32	1.61	3.27	2.90	4.72	3.13	2.05
GROSS COLLECTION PERCENTAGE	75.48%	81.87%	84.47%	86.52%	86.70%	81.22%	85.00%	85.27%
ADJUSTED COLLECTION PERCENTAGE	95.64%	93.67%	93.93%	93.75%	95.18%	93.43%	93.58%	99.94%

Table 8F: Mean Breakout of Total Patient Charges by Payor for Selected Single Specialty Groups

PAYOR CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
PERCENT OF TOTAL PATIENT CHARGES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Medicare	23.51%	38.62%	*	15.55%	35.91%	*	2.88%	52.00%
Medicaid	6.01%	4.03%	*	8.55%	5.78%	*	4.88%	4.69%
Managed care	13.10%	8.87%	*	31.13%	12.04%	*	30.68%	10.88%
Commercial, private, workers comp.	58.59%	51.49%	*	53.00%	50.11%	*	71.33%	33.64%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Table 8G: Mean Nonphysician Expenses per FTE Physician for Selected Single Specialty Groups

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
NONPHYSICIAN SALARIES SUBTOTAL	$72,332	$70,282	$85,441	$64,919	$59,043	$87,626	$74,104	$161,670
Executive staff	*	$8,691	*	$8,525	$6,284	*	$11,088	$14,237
Business office	$10,515	$14,062	*	$10,921	$8,850	*	$9,997	$14,919
Data processing	*	$3,760	*	$3,871	$4,333	*	*	*
Other administrative	*	$5,280	*	$7,618	$3,442	*	$7,939	*
Registered nurses	*	$22,352	*	$11,790	$14,373	*	$14,884	*
Licensed practical nurses, aides	*	$9,323	*	$12,279	$12,000	*	$12,671	*
Medical receptionists	*	$7,975	*	$9,621	$6,537	*	$11,169	$16,135
Medical secretaries/transcribers	*	$7,836	*	$4,079	$6,467	*	$3,664	*
Medical records	*	$3,749	*	$3,136	$3,512	*	$3,828	$5,316
Nonphysician providers	*	*	*	$9,667	*	*	$10,790	*
Laboratory	*	*	*	$6,460	$6,476	*	*	*
Radiology	*	$4,314	*	$4,037	$3,956	*	*	*
Physical therapy	*	*	*	*	*	*	*	*
Optical	*	*	*	*	*	*	*	*
Housekeeping/maintenance/security	*	*	*	$2,365	$1,294	*	*	*
Certified reg. nurse anesthetists	$41,243	*	*	*	*	*	*	*
Other support	*	$8,122	*	$9,094	$3,936	*	$12,084	$22,536
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	$17,116	$16,742	$21,588	$12,172	$14,653	$18,341	$18,989	$33,160
Taxes - FICA, payroll, etc.	$4,344	$6,908	*	$6,804	$6,210	*	$6,590	$16,164
Insurance-health/disability/life/etc.	$4,074	$6,009	*	$4,047	$4,433	*	$6,355	$11,024
Retirement and/or profit sharing	$9,720	$5,536	*	$2,633	$4,889	*	$6,599	$14,423
Other employee benefits	$2,062	$3,057	*	$1,516	$934	*	$1,905	$2,482
DATA PROCESSING EXPENSES SUBTOTAL	$7,690	$5,129	$3,094	$4,762	$4,006	$6,561	$3,212	$6,634
Service bureau fees	*	*	*	$3,990	$2,993	*	*	*
Equipment rental/depreciation	*	$4,294	*	$2,488	$1,507	*	$2,081	$3,089
Equipment and software maintenance	*	$1,558	*	$1,343	$1,275	*	$1,543	$2,748
Data processing supplies	$487	$1,060	*	$1,189	$1,154	*	$641	$1,597
Other data processing expenses	*	*	*	*	$1,240	*	*	*
LABORATORY EXPENSES SUBTOTAL	*	$5,992	*	$10,081	$14,411	$4,596	$15,773	*
Fees for outside laboratory services	*	$3,458	*	$5,132	$9,569	*	$10,724	*
Equipment rental/depreciation	*	*	*	$1,723	$2,823	*	*	*
Equipment maintenance	*	*	*	$321	$554	*	*	*
Laboratory supplies	*	$2,154	*	$4,439	$5,297	*	*	*
Other laboratory expenses	*	*	*	*	$1,247	*	*	*
RADIOLOGY EXPENSES SUBTOTAL	*	$14,308	*	$3,980	$4,820	*	$5,342	*
Fees for outside radiology services	*	*	*	$4,962	$3,197	*	*	*
Equipment rental/depreciation	*	*	*	$1,251	$1,720	*	*	*
Equipment maintenance	*	$729	*	$396	$614	*	*	*
Radiology supplies	*	$2,678	*	$1,878	$2,714	*	*	*
Other radiology expenses	*	*	*	*	$1,374	*	*	*
PHYSICAL THERAPY EXPENSES SUBTOTAL	*	*	*	*	*	*	*	*
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Physical therapy supplies	*	*	*	*	*	*	*	*
Other physical therapy expenses	*	*	*	*	*	*	*	*
OPTICAL EXPENSES SUBTOTAL	*	*	*	*	*	*	*	$26,161
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Optical supplies	*	*	*	*	*	*	*	$11,779
Other optical expenses	*	*	*	*	*	*	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for single specialty groups.

Table 8G is continued on Page 34.

Table 8H: Mean Nonphysician Expenses as a Percent of Cash Collections for Selected Single Speciality Groups

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHE-SIOLOGY	CARDIOLOGY	DERMA-TOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHAL-MOLOGY
NONPHYSICIAN SALARIES SUBTOTAL	16.96%	13.71%	18.13%	23.68%	18.65%	18.60%	15.57%	19.63%
Executive staff	*	1.81%	*	3.09%	2.09%	*	2.34%	1.81%
Business office	2.88%	2.45%	*	3.91%	2.76%	*	2.16%	2.07%
Data processing	*	.59%	*	1.42%	1.54%	*	*	*
Other administrative	*	.97%	*	3.06%	1.01%	*	1.63%	*
Registered nurses	*	3.44%	*	4.53%	4.37%	*	3.21%	*
Licensed practical nurses, aides	*	1.84%	*	4.43%	3.61%	*	2.41%	*
Medical receptionists	*	1.67%	*	3.55%	2.15%	*	2.15%	2.02%
Medical secretaries/transcribers	*	1.55%	*	1.54%	2.10%	*	.75%	*
Medical records	*	.65%	*	1.14%	1.06%	*	.79%	.62%
Nonphysician providers	*	*	*	2.93%	*	*	1.86%	*
Laboratory	*	*	*	2.46%	2.19%	*	*	*
Radiology	*	.92%	*	1.45%	1.16%	*	*	*
Physical therapy	*	*	*	*	*	*	*	*
Optical	*	*	*	*	*	*	*	*
Housekeeping/maintenance/security	*	*	*	.88%	.40%	*	*	*
Certified reg. nurse anesthetists	12.55%	*	*	*	*	*	*	*
Other support	*	1.50%	*	2.77%	1.12%	*	2.23%	3.17%
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	4.46%	3.52%	4.48%	4.40%	4.63%	4.21%	4.05%	4.23%
Taxes - FICA, payroll, etc.	1.20%	1.34%	*	2.48%	2.04%	*	1.28%	2.03%
Insurance-health/disability/life/etc.	1.19%	1.29%	*	1.48%	1.43%	*	1.27%	1.41%
Retirement and/or profit sharing	2.79%	1.06%	*	1.00%	1.48%	*	1.37%	1.64%
Other employee benefits	.63%	.64%	*	.54%	.28%	*	.38%	.39%
DATA PROCESSING EXPENSES SUBTOTAL	1.95%	1.11%	.67%	1.69%	1.31%	1.60%	.74%	.86%
Service bureau fees	*	*	*	1.44%	1.01%	*	*	*
Equipment rental/depreciation	*	.84%	*	.92%	.52%	*	.40%	.44%
Equipment and software maintenance	*	.31%	*	.53%	.45%	*	.37%	.43%
Data processing supplies	.14%	.18%	*	.49%	.38%	*	.14%	.19%
Other data processing expenses	*	*	*	*	.39%	*	*	*
LABORATORY EXPENSES SUBTOTAL	*	1.21%	*	3.77%	4.32%	1.08%	3.14%	*
Fees for outside laboratory services	*	.66%	*	1.91%	2.79%	*	2.25%	*
Equipment rental/depreciation	*	*	*	.62%	.80%	*	*	*
Equipment maintenance	*	*	*	.12%	.17%	*	*	*
Laboratory supplies	*	.39%	*	1.71%	1.79%	*	*	*
Other laboratory expenses	*	*	*	*	.31%	*	*	*
RADIOLOGY EXPENSES SUBTOTAL	*	2.26%	*	1.35%	1.35%	*	1.24%	*
Fees for outside radiology services	*	*	*	1.61%	1.00%	*	*	*
Equipment rental/depreciation	*	*	*	.44%	.45%	*	*	*
Equipment maintenance	*	.11%	*	.14%	.18%	*	*	*
Radiology supplies	*	.56%	*	.66%	.74%	*	*	*
Other radiology expenses	*	*	*	*	.31%	*	*	*
PHYSICAL THERAPY EXPENSES SUBTOTAL	*	*	*	*	*	*	*	*
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Physical therapy supplies	*	*	*	*	*	*	*	*
Other physical therapy expenses	*	*	*	*	*	*	*	*
OPTICAL EXPENSES SUBTOTAL	*	*	*	*	*	*	*	4.06%
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Optical supplies	*	*	*	*	*	*	*	2.17%
Other optical expenses	*	*	*	*	*	*	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for single specialty groups.

Table 8H is continued on Page 35.

Table 8G: Mean Nonphysician Expenses per FTE Physician for Selected Single Specialty Groups (continued from Page 32)

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	*	$7,324	$16,976	$9,860	$8,304	$3,363	$11,847	$39,807
Drugs and medications	*	$401	*	$4,914	$7,319	*	$4,642	$32,604
General medical supplies/instruments	*	$5,032	*	$5,191	$3,609	*	$9,219	$17,661
Laundry and linens	*	$565	*	$340	$598	*	$907	*
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	$2,051	$21,193	$36,722	$21,340	$22,124	$33,311	$26,896	$60,697
Rental/depreciation/occupancy	$1,900	$19,637	*	$16,852	$19,997	*	$25,079	$68,153
Utilities	*	$1,881	*	$2,408	$1,585	*	$2,471	$4,994
Housekeeping and maintenance supplies	*	*	*	$1,309	$708	*	$1,363	$3,156
Contracted janitorial services	*	$896	*	$1,932	$1,581	*	$1,666	*
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	$1,453	$16,446	*	$4,273	$5,538	$8,581	$8,414	$31,421
Rental and depreciation	*	$11,423	*	$3,456	$4,485	*	$5,857	$31,314
Other furniture/equipment expenses	*	$3,674	*	$1,120	$1,818	*	$3,127	$7,096
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	$1,466	$8,312	$14,442	$6,196	$5,109	$9,591	$7,636	$12,856
TELEPHONE EXPENSES SUBTOTAL	$590	$5,972	$4,327	$3,122	$3,560	$6,052	$5,145	$7,245
INSURANCE PREMIUMS SUBTOTAL	$19,367	$14,320	$8,947	$10,782	$6,322	$12,617	$32,836	$14,272
Professional liability	$21,090	$11,371	*	$10,821	$5,609	*	$33,383	$14,561
Other insurance	$351	$1,059	*	$1,245	$588	*	$1,169	$2,569
OUTSIDE PROFESSIONAL FEES SUBTOTAL	$4,278	$7,895	$8,136	$6,274	$4,659	$7,759	$6,978	$16,276
Medical (nonphysician) professionals	*	$4,012	*	$839	$1,087	*	*	*
Legal and accounting	$2,434	$2,835	*	$1,989	$1,995	*	$3,821	$7,605
Management consultants	*	$3,906	*	$3,652	$2,332	*	*	*
Other nonphysician consultants	*	$2,227	*	$1,884	$2,283	*	$3,739	$2,288
PROMOTION/MARKETING EXPENSES SUBTOTAL	$1,148	$3,381	$3,819	$1,655	$1,178	$1,713	$2,793	$13,349
GROUP INTEREST EXPENSES SUBTOTAL	$1,043	$2,722	*	$2,268	$2,868	$2,990	$1,708	$8,171
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	$4,545	$19,743	*	$8,118	$8,621	$30,996	$13,534	$27,500
TOTAL NONPHYSICIAN EXPENSES	$126,790	$196,030	$217,209	$163,170	$156,659	$237,001	$220,069	$451,528

Table 8I: Mean Physician Expenses and Earnings per FTE Physician for Selected Single Specialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	*	$5,032	*	$4,919	$8,447	*	$4,736	*
Fees to consulting pathologists	*	*	*	*	*	*	*	*
Fees to consulting radiologists	*	*	*	$4,418	$8,045	*	*	*
Fees to other consulting physicians	*	*	*	$4,814	*	*	*	*
NET INCOME BEFORE DISTRIBUTION TO GROUP	$245,646	$325,622	$263,493	$107,332	$159,260	$200,765	$265,353	$369,886
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	$45,477	$39,937	$62,647	$16,622	$28,863	$28,162	$37,965	$33,502
Payroll taxes	$4,215	$3,551	*	$3,706	$7,376	*	$6,161	$4,018
Insurance-health/disability/life/etc.	$6,020	$6,417	*	$3,326	$3,986	*	$5,632	$6,304
Retirement and/or profit sharing	$28,001	$21,149	*	$6,986	$17,009	*	$20,552	$20,320
Dues, memberships, and license fees	$1,608	$2,053	*	$1,577	$1,486	*	$2,700	$2,787
Meetings and travel	$2,268	$5,063	*	$3,781	$1,569	*	$4,336	$3,081
Other physician benefits	$3,290	$8,275	*	$2,800	$3,917	*	$4,092	$2,374
TOTAL COMPENSATION OF GROUP PHYSICIANS	$209,516	$284,250	$223,472	$95,015	$132,161	$171,004	$223,824	$312,113

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Table 8H: Mean Nonphysician Expenses as a Percent of Cash Collections for Selected Single Specialty Groups (continued from Page 33)

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	*	1.34%	3.60%	3.62%	2.50%	.69%	2.48%	4.21%
Drugs and medications	*	.09%	*	1.78%	2.03%	*	1.09%	3.62%
General medical supplies/instruments	*	.95%	*	1.92%	1.24%	*	1.94%	1.96%
Laundry and linens	*	.11%	*	.13%	.18%	*	.19%	*
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	.56%	4.30%	8.20%	7.93%	7.15%	7.13%	5.78%	7.82%
Rental/depreciation/occupancy	.51%	4.03%	*	6.16%	6.59%	*	5.16%	9.09%
Utilities	*	.48%	*	.93%	.58%	*	.47%	.59%
Housekeeping and maintenance supplies	*	*	*	.46%	.25%	*	.29%	.45%
Contracted janitorial services	*	.21%	*	.72%	.58%	*	.34%	*
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	.47%	3.16%	*	1.49%	1.70%	1.93%	1.75%	3.71%
Rental and depreciation	*	2.28%	*	1.24%	1.38%	*	1.23%	4.00%
Other furniture/equipment expenses	*	.68%	*	.41%	.53%	*	.72%	.75%
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	.41%	1.65%	3.27%	2.22%	1.63%	2.25%	1.51%	1.63%
TELEPHONE EXPENSES SUBTOTAL	.16%	1.18%	.90%	1.15%	1.17%	1.42%	1.11%	.92%
INSURANCE PREMIUMS SUBTOTAL	5.60%	2.92%	1.90%	4.03%	2.10%	3.08%	6.61%	1.80%
Professional liability	5.95%	2.35%	*	4.02%	1.88%	*	6.72%	1.99%
Other insurance	.11%	.20%	*	.42%	.19%	*	.26%	.35%
OUTSIDE PROFESSIONAL FEES SUBTOTAL	1.32%	1.59%	1.73%	2.19%	1.52%	1.76%	1.44%	2.01%
Medical (nonphysician) professionals	*	.71%	*	.24%	.42%	*	*	*
Legal and accounting	.70%	.60%	*	.67%	.66%	*	.75%	1.03%
Management consultants	*	.70%	*	1.36%	.73%	*	*	*
Other nonphysician consultants	*	.37%	*	.94%	.62%	*	.71%	.32%
PROMOTION/MARKETING EXPENSES SUBTOTAL	.27%	.63%	.82%	.58%	.36%	.42%	.57%	1.42%
GROUP INTEREST EXPENSES SUBTOTAL	.22%	.48%	*	.80%	.75%	.60%	.35%	.90%
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	1.34%	3.76%	*	2.97%	2.75%	5.56%	2.67%	3.32%
TOTAL NONPHYSICIAN EXPENSES	31.95%	38.38%	46.63%	59.48%	49.53%	50.41%	45.85%	55.41%

Table 8J: Mean Physician Expenses and Earnings as a Percent of Cash Collections for Selected Single Specialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	ANESTHESIOLOGY	CARDIOLOGY	DERMATOLOGY	FAMILY PRACTICE	INTERNAL MEDICINE	NEUROLOGY	OBSTETRICS GYNECOLOGY	OPHTHALMOLOGY
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	*	.97%	*	1.65%	2.28%	*	1.02%	*
Fees to consulting pathologists	*	*	*	*	*	*	*	*
Fees to consulting radiologists	*	*	*	1.39%	2.05%	*	*	*
Fees to other consulting physicians	*	*	*	1.77%	*	*	*	*
NET INCOME BEFORE DISTRIBUTION TO GROUP	70.33%	60.92%	52.00%	40.63%	49.57%	49.08%	53.83%	43.91%
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	13.64%	8.09%	12.00%	6.45%	9.07%	7.19%	8.51%	4.37%
Payroll taxes	1.25%	.82%	*	1.39%	2.66%	*	1.60%	.63%
Insurance-health/disability/life/etc.	1.78%	1.51%	*	1.25%	1.32%	*	1.21%	.84%
Retirement and/or profit sharing	8.50%	4.38%	*	2.58%	5.12%	*	4.23%	2.43%
Dues, memberships, and license fees	.54%	.51%	*	.58%	.52%	*	.54%	.31%
Meetings and travel	.71%	1.13%	*	1.75%	.50%	*	.89%	.43%
Other physician benefits	1.16%	1.49%	*	.92%	1.21%	*	.72%	.35%
TOTAL COMPENSATION OF GROUP PHYSICIANS	59.42%	53.75%	43.23%	36.21%	41.25%	41.83%	45.01%	37.41%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Table 9A: Number of Responding Medical Groups for Selected Single Specialty Groups

	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYNGOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
NUMBER OF RESPONDING GROUPS	22	16	34	12	7	93	9	8

Table 9B: Mean Number of FTE Employees per FTE Physician for Selected Single Specialty Groups

EMPLOYEE CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYNGOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
TOTAL GROUP EMPLOYEES PER FTE PHYSICIAN	5.48	3.58	2.80	2.75	3.82	4.79	2.50	3.45
Executive staff	.37	.23	.25	.30	.21	.30	.28	.23
Business office	1.07	.56	.77	.60	.67	.89	.51	.68
Data processing	.38	.24	.38	*	*	.31	*	*
Other administrative	.35	*	.17	*	*	.32	*	*
Registered nurses	.57	.88	*	.62	*	.47	.40	*
Licensed practical nurses, aides	1.13	.78	*	.41	*	.62	*	.65
Medical receptionists	.83	.75	.40	.46	.47	.75	*	.69
Medical secretaries/transcribers	.35	.19	.24	.48	1.01	.69	.41	.55
Medical records	.28	.25	.23	*	*	.31	*	*
Nonphysician providers	.66	*	*	*	*	.44	*	*
Laboratory	*	.34	*	*	*	*	*	*
Radiology	.25	*	1.05	*	*	.46	*	.33
Physical therapy	*	*	*	*	*	.82	*	*
Optical	*	*	*	*	*	*	*	*
Housekeeping/maintenance/security	*	*	*	*	*	.19	*	*
Certified reg. nurse anesthetists	*	*	*	*	*	*	*	*
Other support	.66	*	.44	*	*	.48	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Graph 9B: Mean Number of FTE Employees per FTE Physician for Selected Single Specialty Group Types

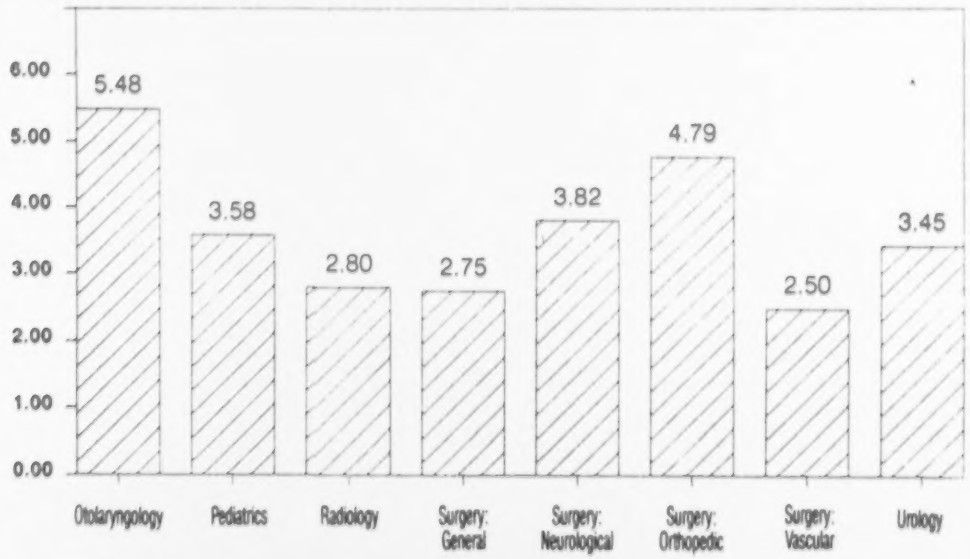

Table 9C: Mean Revenue per FTE Physician for Selected Single Specialty Groups

REVENUE CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
TOTAL PATIENT CHARGES	$682,713	$312,612	$650,514	$475,497	$1,011,827	$760,388	$949,983	$481,984
Gross fee-for-service charges	$674,570	$306,716	$646,771	$475,497	$921,394	$760,996	$961,242	$481,448
Prepaid patient charges	*	*	*	*	*	$46,928	*	*
ADJUSTMENTS	$82,294	$24,136	$80,420	$52,842	*	$89,140	$174,491	*
BAD DEBTS AND WRITE-OFFS	$17,206	$10,097	$38,457	$25,245	*	$32,300	$50,939	$35,520
NET PREPAID REVENUE	*	*	*	*	*	$167,977	*	*
Capitation revenue	*	*	*	*	*	$32,390	*	*
Other prepaid revenue	*	*	*	*	*	*	*	*
Professional/med. purchased services	*	*	*	*	*	*	*	*
FEE-FOR-SERVICE CASH COLLECTIONS	$569,741	$280,373	$523,476	$415,739	$711,059	$630,001	$715,021	$436,560
OTHER REVENUE	$13,335	$3,175	$19,857	$14,711	*	$9,724	*	$9,267
TOTAL CASH COLLECTIONS	$600,318	$286,036	$534,743	$427,999	$718,665	$641,380	$740,615	$445,205

Table 9D: Mean Accounts Receivable Aging for Selected Single Specialty Groups

ACCOUNTS RECEIVABLE CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
TOTAL ACCOUNTS RECEIVABLE - $/FTE PHY.	$147,759	$44,570	$129,210	$108,101	*	$216,352	$240,459	$95,968
Accounts receivable - 0 to 30 days	$49,224	$18,402	$51,583	$40,390	*	$66,576	$107,258	$38,056
Accounts receivable - 31 to 60 days	$26,131	$9,319	$27,512	$23,944	*	$33,206	$42,119	$18,276
Accounts receivable - 61 to 90 days	$13,050	$5,328	$15,858	$14,095	*	$21,563	$52,102	$8,641
Accounts receivable - 91 TO 120 days	$10,491	$5,626	$12,888	$7,704	*	$16,781	$30,392	$11,578
Accounts receivable - over 120 days	$44,482	$10,839	$23,996	$28,433	*	$81,208	$53,773	$22,513
PER CENT OF TOTAL ACCOUNTS RECEIVABLE	100.00%	100.00%	100.00%	100.00%	*	100.00%	100.00%	100.00%
Accounts receivable - 0 to 30 days	37.46%	38.99%	40.03%	38.67%	*	35.74%	37.70%	42.13%
Accounts receivable - 31 to 60 days	18.24%	20.09%	21.67%	20.86%	*	16.55%	14.41%	18.74%
Accounts receivable - 61 to 90 days	8.81%	10.97%	11.71%	13.60%	*	10.15%	18.37%	8.71%
Accounts receivable - 91 to 120 days	7.35%	9.72%	8.98%	7.03%	*	7.70%	10.51%	10.91%
Accounts receivable - over 120 days	28.15%	24.19%	19.72%	23.66%	*	31.13%	20.50%	22.59%

Table 9E: Mean Ratios and Percentages for Selected Single Specialty Groups

RATIOS AND PERCENTAGES	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
ACCOUNTS RECEIVABLE RATIO	3.11	1.95	2.83	2.95	*	3.68	3.44	*
GROSS COLLECTION PERCENTAGE	85.90%	92.04%	80.58%	86.37%	77.73%	83.67%	73.90%	92.00%
ADJUSTED COLLECTION PERCENTAGE	97.67%	98.04%	91.58%	95.97%	*	94.91%	91.30%	*

Table 9F: Mean Breakout of Total Patient Charges by Payor for Selected Single Specialty Groups

PAYOR CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
PERCENT OF TOTAL PATIENT CHARGES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Medicare	19.45%	*	29.36%	*	*	17.15%	*	*
Medicaid	6.57%	*	5.58%	*	*	2.95%	*	*
Managed care	20.08%	*	12.86%	*	*	13.55%	*	*
Commercial, private, workers comp.	59.10%	*	58.64%	*	*	68.88%	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Table 9G: Mean Nonphysician Expenses per FTE Physician for Selected Single Specialty Groups

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
NONPHYSICIAN SALARIES SUBTOTAL	$107,406	$61,131	$58,626	$59,087	$88,637	$100,004	$73,645	$63,086
Executive staff	$11,270	*	$6,362	*	*	$12,832	*	*
Business office	$24,712	*	$11,228	*	*	$16,026	*	*
Data processing	*	*	*	*	*	$4,297	*	*
Other administrative	*	*	*	*	*	$10,514	*	*
Registered nurses	$15,391	*	*	*	*	$11,922	*	*
Licensed practical nurses, aides	$16,636	*	*	*	*	$12,318	*	*
Medical receptionists	$11,478	*	$6,265	*	*	$11,438	*	*
Medical secretaries/transcribers	$6,155	*	$6,448	*	*	$14,181	*	*
Medical records	*	*	*	*	*	$3,276	*	*
Nonphysician providers	$12,487	*	*	*	*	$15,728	*	*
Laboratory	*	*	*	*	*	*	*	*
Radiology	*	*	$24,540	*	*	$10,531	*	*
Physical therapy	*	*	*	*	*	$20,678	*	*
Optical	*	*	*	*	*	*	*	*
Housekeeping/maintenance/security	*	*	*	*	*	*	*	*
Certified reg. nurse anesthetists	*	*	*	*	*	*	*	*
Other support	*	*	*	*	*	$6,674	*	*
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	$27,018	$10,715	$17,565	$12,946	$28,564	$25,337	$21,390	$16,924
Taxes - FICA, payroll, etc.	$9,240	*	$5,867	*	*	$9,621	*	*
Insurance-health/disability/life/etc.	$5,806	*	$6,304	*	*	$8,387	*	*
Retirement and/or profit sharing	$6,312	*	$8,448	*	*	$9,132	*	*
Other employee benefits	$2,418	*	$2,262	*	*	$3,733	*	*
DATA PROCESSING EXPENSES SUBTOTAL	$6,220	$3,060	$16,395	$3,327	*	$6,291	$4,805	*
Service bureau fees	*	*	$32,718	*	*	$1,831	*	*
Equipment rental/depreciation	$3,572	*	$2,886	*	*	$5,274	*	*
Equipment and software maintenance	$2,587	*	$1,719	*	*	$2,083	*	*
Data processing supplies	$1,078	*	$1,317	*	*	$1,403	*	*
Other data processing expenses	*	*	*	*	*	$551	*	*
LABORATORY EXPENSES SUBTOTAL	$11,260	$9,277	*	*	*	$1,005	*	*
Fees for outside laboratory services	*	*	*	*	*	*	*	*
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Laboratory supplies	*	*	*	*	*	*	*	*
Other laboratory expenses	*	*	*	*	*	*	*	*
RADIOLOGY EXPENSES SUBTOTAL	$1,476	*	$27,785	*	*	$8,892	*	*
Fees for outside radiology services	*	*	*	*	*	$7,843	*	*
Equipment rental/depreciation	*	*	$17,329	*	*	$2,315	*	*
Equipment maintenance	*	*	$9,251	*	*	$1,051	*	*
Radiology supplies	*	*	$17,902	*	*	$5,640	*	*
Other radiology expenses	*	*	$3,115	*	*	$1,049	*	*
PHYSICAL THERAPY EXPENSES SUBTOTAL	*	*	*	*	*	$12,485	*	*
Equipment rental/depreciation	*	*	*	*	*	$2,027	*	*
Equipment maintenance	*	*	*	*	*	$432	*	*
Physical therapy supplies	*	*	*	*	*	$4,428	*	*
Other physical therapy expenses	*	*	*	*	*	$4,148	*	*
OPTICAL EXPENSES SUBTOTAL	*	*	*	*	*	*	*	*
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Optical supplies	*	*	*	*	*	*	*	*
Other optical expenses	*	*	*	*	*	*	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for single specialty groups.

Table 9G is continued on Page 40.

Table 9H: Mean Nonphysician Expenses as a Percent of Cash Collections for Selected Single Specialty Groups

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
NONPHYSICIAN SALARIES SUBTOTAL	17.81%	21.67%	10.24%	13.60%	12.38%	15.40%	11.09%	13.83%
Executive staff	2.07%	*	1.34%	*	*	2.06%	*	*
Business office	3.83%	*	2.40%	*	*	2.53%	*	*
Data processing	*	*	*	*	*	.71%	*	*
Other administrative	*	*	*	*	*	.97%	*	*
Registered nurses	2.31%	*	*	*	*	1.98%	*	*
Licensed practical nurses, aides	3.02%	*	*	*	*	1.96%	*	*
Medical receptionists	2.21%	*	1.19%	*	*	1.74%	*	*
Medical secretaries/transcribers	1.13%	*	1.09%	*	*	2.19%	*	*
Medical records	*	*	*	*	*	.51%	*	*
Nonphysician providers	2.80%	*	*	*	*	2.61%	*	*
Laboratory	*	*	*	*	*	*	*	*
Radiology	*	*	4.18%	*	*	1.69%	*	*
Physical therapy	*	*	*	*	*	2.93%	*	*
Optical	*	*	*	*	*	*	*	*
Housekeeping/maintenance/security	*	*	*	*	*	*	*	*
Certified reg. nurse anesthetists	*	*	*	*	*	*	*	*
Other support	*	*	*	*	*	.87%	*	*
NONPHYSICIAN EMPLOYEE BENEFITS SUBTOTAL	4.55%	3.80%	3.06%	2.98%	4.13%	4.08%	3.05%	3.50%
Taxes - FICA, payroll, etc.	1.67%	*	1.03%	*	*	1.59%	*	*
Insurance-health/disability/life/etc.	1.09%	*	1.24%	*	*	1.31%	*	*
Retirement and/or profit sharing	1.10%	*	1.41%	*	*	1.46%	*	*
Other employee benefits	.49%	*	.39%	*	*	.50%	*	*
DATA PROCESSING EXPENSES SUBTOTAL	1.05%	1.05%	3.34%	.77%	*	1.04%	.73%	*
Service bureau fees	*	*	7.23%	*	*	.27%	*	*
Equipment rental/depreciation	.60%	*	.62%	*	*	.85%	*	*
Equipment and software maintenance	.51%	*	.33%	*	*	.36%	*	*
Data processing supplies	.25%	*	.26%	*	*	.22%	*	*
Other data processing expenses	*	*	*	*	*	.08%	*	*
LABORATORY EXPENSES SUBTOTAL	2.06%	2.84%	*	*	*	.15%	*	*
Fees for outside laboratory services	*	*	*	*	*	*	*	*
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Laboratory supplies	*	*	*	*	*	*	*	*
Other laboratory expenses	*	*	*	*	*	*	*	*
RADIOLOGY EXPENSES SUBTOTAL	.28%	*	4.59%	*	*	1.35%	*	*
Fees for outside radiology services	*	*	*	*	*	1.49%	*	*
Equipment rental/depreciation	*	*	2.92%	*	*	.44%	*	*
Equipment maintenance	*	*	1.32%	*	*	.17%	*	*
Radiology supplies	*	*	2.85%	*	*	.86%	*	*
Other radiology expenses	*	*	.57%	*	*	.15%	*	*
PHYSICAL THERAPY EXPENSES SUBTOTAL	*	*	*	*	*	1.72%	*	*
Equipment rental/depreciation	*	*	*	*	*	.30%	*	*
Equipment maintenance	*	*	*	*	*	.05%	*	*
Physical therapy supplies	*	*	*	*	*	.62%	*	*
Other physical therapy expenses	*	*	*	*	*	.66%	*	*
OPTICAL EXPENSES SUBTOTAL	*	*	*	*	*	*	*	*
Equipment rental/depreciation	*	*	*	*	*	*	*	*
Equipment maintenance	*	*	*	*	*	*	*	*
Optical supplies	*	*	*	*	*	*	*	*
Other optical expenses	*	*	*	*	*	*	*	*

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. This table includes data for single specialty groups.

Table 9H is continued on Page 41.

Table 9G: Mean Nonphysician Expenses per FTE Physician for Selected Single Specialty Groups (continued from Page 38)

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	$18,104	$18,244	$11,073	$5,280	$1,520	$15,444	$2,612	$18,811
Drugs and medications	$6,419	*	*	*	*	$5,030	*	*
General medical supplies/instruments	$7,800	*	*	*	*	$11,472	*	*
Laundry and linens	$334	*	$551	*	*	$1,069	*	*
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	$34,090	$19,615	$21,810	$18,413	$23,655	$34,200	$18,540	$24,853
Rental/depreciation/occupancy	$38,530	*	$23,995	*	*	$34,129	*	*
Utilities	$2,662	*	$3,790	*	*	$3,547	*	*
Housekeeping and maintenance supplies	$2,330	*	*	*	*	$980	*	*
Contracted janitorial services	*	*	*	*	*	$2,693	*	*
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	$14,600	$4,486	$12,165	$4,329	$5,303	$10,678	$4,074	*
Rental and depreciation	$14,260	*	$4,330	*	*	$10,799	*	*
Other furniture/equipment expenses	*	*	$3,011	*	*	$2,217	*	*
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	$11,091	$5,765	$7,240	$4,064	$5,879	$9,982	$3,568	$6,022
TELEPHONE EXPENSES SUBTOTAL	$6,741	$3,570	$2,381	$3,851	$7,708	$5,831	$4,824	$6,494
INSURANCE PREMIUMS SUBTOTAL	$18,271	$7,016	$11,082	$30,942	$48,374	$33,496	$27,565	$13,160
Professional liability	$19,108	*	$10,998	*	*	$31,437	*	*
Other insurance	$1,419	*	$1,482	*	*	$2,568	*	*
OUTSIDE PROFESSIONAL FEES SUBTOTAL	$8,999	$3,037	$9,511	$5,308	$13,614	$8,790	$11,260	$5,155
Medical (nonphysician) professionals	*	*	*	*	*	$5,376	*	*
Legal and accounting	$5,472	*	$3,413	*	*	$4,976	*	*
Management consultants	*	*	*	*	*	$3,237	*	*
Other nonphysician consultants	*	*	*	*	*	$2,781	*	*
PROMOTION/MARKETING EXPENSES SUBTOTAL	$3,844	$1,407	$3,850	$3,151	*	$3,641	$2,456	$1,668
GROUP INTEREST EXPENSES SUBTOTAL	$3,899	$1,362	$5,965	$2,436	*	$2,755	$3,627	*
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	$19,491	$4,385	$18,147	$12,622	*	$12,604	$14,632	$18,633
TOTAL NONPHYSICIAN EXPENSES	$289,610	$147,349	$201,194	$160,827	$246,383	$273,537	$191,032	$181,231

Table 9I: Mean Physician Expenses and Earnings per FTE Physician for Selected Single Specialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	*	*	$8,543	*	*	$16,767	*	*
Fees to consulting pathologists	*	*	*	*	*	*	*	*
Fees to consulting radiologists	*	*	*	*	*	*	*	*
Fees to other consulting physicians	*	*	*	*	*	$20,588	*	*
NET INCOME BEFORE DISTRIBUTION TO GROUP	$318,832	$142,573	$329,787	$251,014	$472,179	$361,377	$549,583	$267,330
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	$36,295	$21,506	$46,643	$49,660	$41,722	$59,431	$52,656	$44,379
Payroll taxes	$8,094	*	$3,690	*	*	$13,571	*	*
Insurance-health/disability/life/etc.	$5,787	*	$7,334	*	*	$8,404	*	*
Retirement and/or profit sharing	$17,517	*	$24,247	*	*	$23,118	*	*
Dues, memberships, and license fees	$3,176	*	$2,340	*	*	$3,182	*	*
Meetings and travel	$3,447	*	$3,442	*	*	$4,649	*	*
Other physician benefits	$2,367	*	$3,689	*	*	$7,608	*	*
TOTAL COMPENSATION OF GROUP PHYSICIANS	$261,149	$119,964	$286,216	$209,498	$433,774	$323,340	$496,933	$224,466

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Table 9H: Mean Nonphysician Expenses as a Percent of Cash Collections for Selected Single Specialty Groups (continued from Page 39)

NONPHYSICIAN EXPENSES CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
MED./SURGICAL SUPPLY EXPENSES SUBTOTAL	2.91%	6.41%	1.61%	1.21%	.25%	2.54%	.47%	4.05%
Drugs and medications	.80%	*	*	*	*	.84%	*	*
General medical supplies/instruments	1.20%	*	*	*	*	1.90%	*	*
Laundry and linens	.07%	*	.09%	*	*	.18%	*	*
BUILDING AND OCCUPANCY EXPENSES SUBTOTAL	6.13%	6.88%	3.59%	4.21%	3.70%	5.37%	3.07%	5.55%
Rental/depreciation/occupancy	6.79%	*	4.04%	*	*	5.27%	*	*
Utilities	.49%	*	.59%	*	*	.59%	*	*
Housekeeping and maintenance supplies	.37%	*	*	*	*	.17%	*	*
Contracted janitorial services	*	*	*	*	*	.37%	*	*
FURNITURE/EQUIPMENT EXPENSES SUBTOTAL	2.42%	1.49%	2.54%	.86%	.70%	1.62%	.75%	*
Rental and depreciation	2.59%	*	.92%	*	*	1.68%	*	*
Other furniture/equipment expenses	*	*	.57%	*	*	.35%	*	*
OFFICE SUPPLIES/SERV. EXPENSES SUBTOTAL	1.84%	1.97%	1.28%	.99%	.86%	1.61%	.63%	1.26%
TELEPHONE EXPENSES SUBTOTAL	1.16%	1.25%	.40%	.90%	1.06%	.90%	1.00%	1.41%
INSURANCE PREMIUMS SUBTOTAL	3.31%	2.28%	2.20%	7.42%	6.77%	5.59%	3.50%	2.92%
Professional liability	3.72%	*	2.17%	*	*	5.32%	*	*
Other insurance	.28%	*	.24%	*	*	.34%	*	*
OUTSIDE PROFESSIONAL FEES SUBTOTAL	1.64%	1.00%	1.61%	1.26%	1.81%	1.42%	1.79%	1.21%
Medical (nonphysician) professionals	*	*	*	*	*	.75%	*	*
Legal and accounting	1.04%	*	.63%	*	*	.73%	*	*
Management consultants	*	*	*	*	*	.59%	*	*
Other nonphysician consultants	*	*	*	*	*	.49%	*	*
PROMOTION/MARKETING EXPENSES SUBTOTAL	.64%	.50%	.58%	.71%	*	.58%	.41%	.37%
GROUP INTEREST EXPENSES SUBTOTAL	.78%	.48%	.77%	.70%	*	.44%	.55%	*
OTHER NONPHYSICIAN EXPENSES SUBTOTAL	3.48%	1.43%	3.32%	3.46%	*	1.90%	1.86%	4.19%
TOTAL NONPHYSICIAN EXPENSES	48.90%	51.79%	34.39%	37.35%	35.38%	43.09%	28.68%	39.73%

Table 9J: Mean Physician Expenses and Earnings as a Percent of Cash Collections for Selected Single Specialty Groups

PHYSICIAN EXPENSES AND EARNINGS CATEGORY	SINGLE SPECIALTY GROUP TYPE							
	OTOLARYN-GOLOGY	PEDIATRICS	RADIOLOGY	SURGERY: GENERAL	SURGERY: NEUROLOG.	SURGERY: ORTHOPEDIC	SURGERY: VASCULAR	UROLOGY
PHYSICIAN CONSULTANT EXPENSES SUBTOTAL	*	*	1.91%	*	*	1.87%	*	*
Fees to consulting pathologists	*	*	*	*	*	*	*	*
Fees to consulting radiologists	*	*	*	*	*	*	*	*
Fees to other consulting physicians	*	*	*	*	*	2.17%	*	*
NET INCOME BEFORE DISTRIBUTION TO GROUP	51.23%	47.81%	64.87%	62.83%	64.60%	56.74%	71.32%	62.11%
PHYSICIAN BENEFITS EXPENSES SUBTOTAL	6.29%	7.39%	9.59%	12.38%	5.99%	9.64%	10.09%	10.80%
Payroll taxes	1.32%	*	.78%	*	*	2.04%	*	*
Insurance-health/disability/life/etc.	1.14%	*	1.53%	*	*	1.30%	*	*
Retirement and/or profit sharing	3.21%	*	5.02%	*	*	4.06%	*	*
Dues, memberships, and license fees	.57%	*	.54%	*	*	.54%	*	*
Meetings and travel	.69%	*	.73%	*	*	.78%	*	*
Other physician benefits	.85%	*	.58%	*	*	1.08%	*	*
TOTAL COMPENSATION OF GROUP PHYSICIANS	43.21%	40.44%	56.05%	47.36%	58.23%	49.89%	62.00%	50.71%

Notes: An asterisk indicates that data are suppressed when the number of responding groups is less than 6. Data for university, and government affiliated medical groups are excluded from all tables. These tables include data for single specialty groups.

Medical Group Management Association
1989 Production Survey Based on 1988 Data

Introduction

The 1989 MGMA Production Survey Report presents summary statistics of production (professional service gross charges), ambulatory encounters, and appointment hours for physicians and allied health-care professionals in United States medical group practices.

Survey questionnaires were mailed to 3663 non-university affiliated MGMA member groups in March 1989. There were 698 surveys returned reflecting a response rate of 19.1 percent. Of the 698 returned questionnaires, 688 were used to compile the non-demographic tables presented in this report. Data from ten surveys were removed from the data base because the responding medical group affiliation was other than freestanding or hospital. Individual data was also deleted from the data base if a physician salary was less than $20,000 per year or if an allied healthcare professional salary was less than $10,000 per year. In addition, data for all professionals born before 1923 was deleted from the data base. The net result of all these deletion criteria is that MGMA was able to use data for 12,381 physicians and allied health care providers out of an original sample of 13,132 for a data retention rate of 94.3 percent.

In May 1989 the MGMA Academic Practice Assembly Faculty Compensation Survey Questionnaire was mailed to all academic medical group practices. A separate report of academic physician's productivity and compensation will be compiled from this survey.

The format and content of the MGMA Production Survey are the responsibility of the MGMA Financial Management Committee. During the committee's January 1989 meeting a decision was made to combine the questionnaires for two related surveys, the 1989 Production Survey and the 1989 Physician Compensation Survey. The revised survey questionnaire requested productivity, compensation, and individual demographic information for each full-time physician and allied healthcare professional in the medical group. The survey questionnaire is reprinted on pages 60-61 of this report. Please refer to the questionnaire and its instructions to better understand how data were collected for this report. Compensation data are reported separately in the **1989 MGMA Physician Compensation Survey Report.** Information regarding this report can be obtained from the MGMA Order Department.

If you have a question concerning the survey results, or comments on how this report or the survey questionnaire could be improved, please contact one of the members of the MGMA Financial Management Committee or the MGMA/CRAHCA staff. Your continued participation in your association's surveys is greatly appreciated.

July 31, 1989
—1989 MGMA Financial Management
Committee and the MGMA/CRAHCA Staff

How to Use This Report

This report contains data for median ambulatory encounters, median production (professional services gross charges) and median appointment hours per week. These measures are reported for 38 physician and 8 allied health care professional specialties. An ambulatory encounter is defined as an identifiable contact between a patient and a group healthcare professional that generates a charge or for which a charge could be made and where advice, a procedure, service, or treatment is provided. For purposes of this report, laboratory and radiology visits are excluded from encounters. Production is the full dollar value, at the group's established rates, of services provided to patients before reduction by discounts, contractual arrangements, bad debts, etc.

In order to minimize the effect of outlying data elements, the statistic used in this report is the median. Simply stated, the median is the midpoint of all responses after all the data are ranked from low to high for any given variable. For example, for a specialty in which production is reported for 45 physicians, the median is the reported production for the 23rd physician as ranked by production.

When examining the production data in tables 2 through 11 the user should evaluate both the reported median and the frequency distribution of physicians by production categories. For example, Table 4A: Median Production per Physician by Specialty and Group Type (Ancillary Services Technical Charges Not Included) states that the median production for the 1,024 family practice physicians in the survey sample was $217,104. This information should be evaluated along with the data reported in Table 2: Physician Frequency Distribution by Production Category (Ancillary Services Technical Charges Not Included). Table 2 shows that while 312 family practice physicians had production in the $201,000 to $250,000 range there also were nine physicians who produced over $500,000 in gross charges.

Appropriate caution should be used when interpreting the data. Although the information in this report has been compiled from the responses of 688 medical groups, the data may not be representative of all physicians, or even of all group practices. This is due to the fact that the Production Survey is not based upon a formal random sample. Since all responses are purely voluntary, an element of self-selection bias is introduced into the respondent population. The implication of the self-selection bias to the medical group manager is that any comparisons of individual group data to the median values for a respondent population should be made cautiously, with the realization that the median values for the respondent population are not necessarily the same as those that would occur if a true random sample had been utilized.

The report is copyrighted by the Medical Group Management Association. The MGMA/CRAHCA staff realizes the sensitive nature of physician production information and maintains strict confidentiality in the treatment of individual responses.

Demographic Profile of Responding Medical Groups

Table A: Geographic Distribution (MGMA Section)

	Frequency	Percent
Eastern	116	16.6%
Midwest	223	31.9%
Southern	186	26.6%
Western	173	24.8%
TOTAL	698	100.0%

Table B: Size of Medical Group (Number of FTE Physicians)

	Frequency	Percent
1 to 6	284	41.0%
7 to 15	200	28.9%
16 to 25	70	10.1%
26 to 35	44	6.3%
36 to 50	38	5.5%
51 or more	57	8.2%
TOTAL	693	100.0%
Missing	5	

Table C: Type of Medical Group

	Frequency	Percent
Single Specialty	375	53.7%
Multispecialty	323	46.3%
TOTAL	698	100.0%

Table D: Percent Prepaid Income

	Frequency	Percent
No Prepaid	159	25.4%
1 to 10 Percent	210	33.5%
11 to 20 Percent	101	16.1%
21 to 50 Percent	118	18.8%
Over 50 Percent	38	6.1%
TOTAL	626	100.0%
Missing	72	

Table E: Medical Group Affiliation

	Frequency	Percent
Freestanding	617	89.0%
Hospital	71	10.2%
University	2	0.3%
Government	2	0.3%
Other	1	0.1%
TOTAL	693	100.0%
Missing	5	

Table F: Location of Primary Clinic Facility

	Frequency	Percent
Central City (Population over 500,000)	104	15.0%
Suburban (Population over 500,000)	106	15.3%
Central City (Population 100,000 to 500,000)	127	18.3%
Suburban (Population 100,000 to 500,000)	70	10.1%
City (Population 50,000 to 99,000)	86	12.4%
City (Population 20,000 to 49,000)	104	15.0%
Rural (Population less than 20,000)	98	14.1%
TOTAL	695	100.0%
Missing	3	

Table G. Length of Time to Complete Questionnaire

	Frequency	Percent
1 Hour or Less	317	47.7%
1.1 to 2 Hours	171	25.7%
2.1 to 4 Hours	84	12.6%
4.1 to 8 Hours	57	8.6%
8.1 to 16 Hours	26	3.9%
More than 16 Hours	10	1.5%
TOTAL	665	100.0%
Missing	33	

NOTE: Totals may not sum to 100% due to rounding.

Medical Group Management Association
1989 Production Survey Based on 1988 Data

Table 1A: Median Ambulatory Encounters per Physician by Specialty and Group Type

SPECIALTY	GROUP TYPE			
	SINGLE SPECIALTY		MULTISPECIALTY	
	NUMBER OF RESPONSES	AMBULATORY ENCOUNTERS	NUMBER OF RESPONSES	AMBULATORY ENCOUNTERS
ALLERGY/IMMUNOLOGY	5	*	79	4,625
ANESTHESIOLOGY	28	720	51	363
CARDIOLOGY: INVASIVE	84	1,070	162	1,576
CARDIOLOGY: NONINVASIVE	27	2,182	124	2,140
DERMATOLOGY	1	*	129	5,959
EMERGENCY MEDICINE	9	3,158	91	3,564
ENDOCRINOLOGY/METABOLISM	6	3,711	81	2,878
FAMILY PRACTICE	304	5,024	1,406	4,692
GASTROENTEROLOGY	15	1,622	208	1,975
GYNECOLOGY	2	*	24	3,141
HEMATOLOGY/ONCOLOGY	30	2,200	156	2,833
INFECTIOUS DISEASE	1	*	52	2,392
INTERNAL MEDICINE	101	3,047	960	3,615
NEONATOLOGY	0	*	17	716
NEPHROLOGY	2	*	68	2,191
NEUROLOGY	76	2,869	137	1,946
OBSTETRICS/GYNECOLOGY	73	4,560	498	3,363
OCCUPATIONAL MEDICINE	*	*	42	3,760
OPHTHALMOLOGY	46	6,354	201	4,165
OTOLARYNGOLOGY	35	3,751	162	3,816
PATHOLOGY	0	*	10	7
PEDIATRICS	44	7,049	585	5,328
PHYSICAL MEDICINE	6	2,397	20	1,431
PSYCHIATRY	7	1,935	99	1,278
PULMONARY DISEASE	28	1,868	141	2,083
RADIOLOGY	51	12,475	52	6,753
RADIOLOGY: THERAPEUTIC	16	10,350	14	1,066
RHEUMATOLOGY	10	3,493	97	3,500
SURGERY: CARDIOVASCULAR	9	700	53	312
SURGERY: GENERAL	27	1,800	437	1,777
SURGERY: HAND	16	4,014	6	2,562
SURGERY: HEAD AND NECK	1	*	9	3,795
SURGERY: NEUROLOGICAL	41	2,307	48	1,405
SURGERY: ORAL	4	*	14	2,453
SURGERY: ORTHOPEDIC	286	3,385	301	3,399
SURGERY: PLASTIC	3	*	21	1,881
SURGERY: VASCULAR	9	1,566	57	1,772
UROLOGY	19	2,700	160	2,520

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and governme affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $ per year; and all professional born before 1923.

Graph 1A: Median Ambulatory Encounters per Physician by Selected Specialties and Group Type

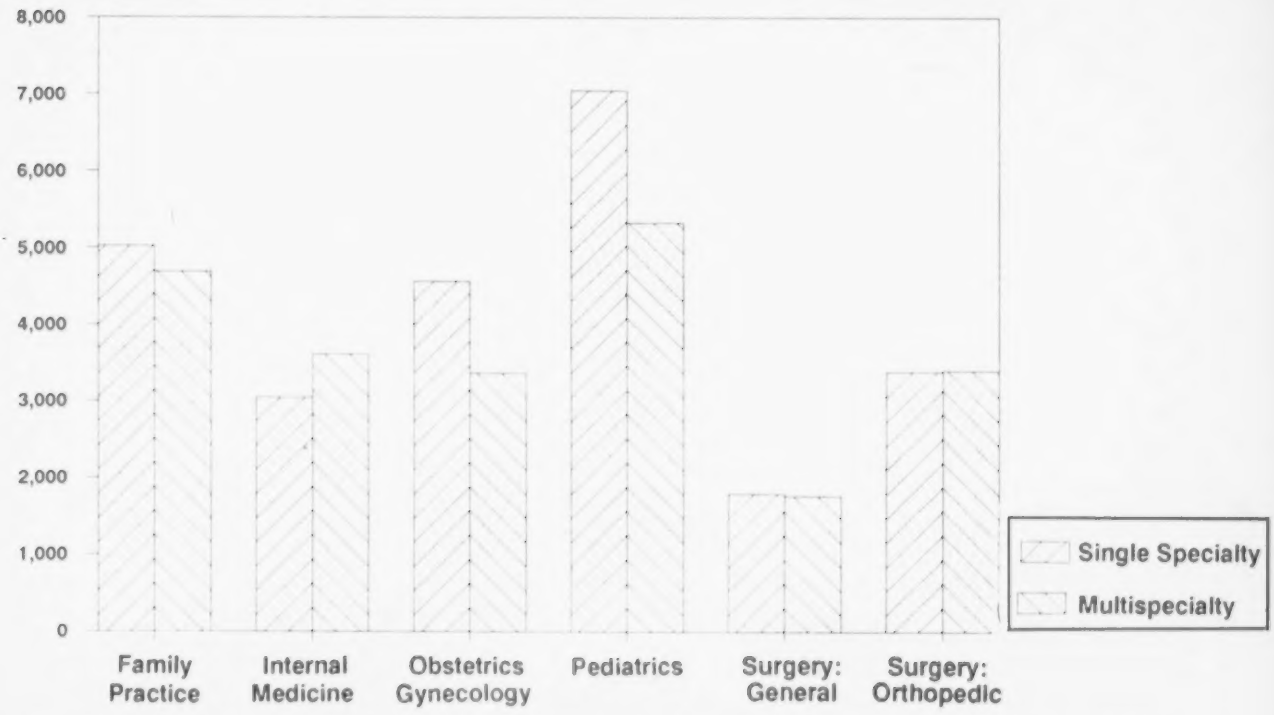

Table 1B: Median Ambulatory Encounters per Allied Healthcare Professional by Specialty and Group Type

SPECIALTY	GROUP TYPE			
	SINGLE SPECIALTY		MULTISPECIALTY	
	NUMBER OF RESPONSES	AMBULATORY ENCOUNTERS	NUMBER OF RESPONSES	AMBULATORY ENCOUNTERS
AUDIOLOGIST	0	*	19	1,545
NURSE PRACTITIONER	5	*	35	2,092
OPTOMETRIST	10	1,665	73	3,244
PHYSICAL THERAPIST	16	4,219	30	2,848
PHYSICIANS ASSISTANT	8	1,351	84	3,710
PODIATRIST	5	*	18	3,240
PSYCHOLOGIST	8	390	74	1,173
SOCIAL WORKER	1	*	35	1,424

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

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Table 2: Physician Frequency Distribution by Production Category (Ancillary Services Technical Charges Not Included)

SPECIALTY	PRODUCTION CATEGORY ($ 1000)																TOTAL
	LESS THAN 101	101 TO 150	151 TO 200	201 TO 250	251 TO 300	301 TO 350	351 TO 400	401 TO 450	451 TO 500	501 TO 550	551 TO 600	601 TO 650	651 TO 700	701 TO 750	751 TO 800	801 AND OVER	COUNT
	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	
ALLERGY/IMMUNOLOGY	0	4	9	8	14	11	12	5	7	2	1	1	1	0	0	2	77
ANESTHESIOLOGY	1	2	4	6	17	22	11	18	14	6	17	9	2	5	1	1	136
CARDIOLOGY: INVASIVE	2	2	2	6	7	17	15	15	12	13	9	15	11	5	6	24	161
CARDIOLOGY: NONINVASIVE	2	6	5	12	17	9	8	9	8	5	1	4	5	4	1	4	100
DERMATOLOGY	2	1	10	11	19	15	17	16	9	7	4	4	4	1	1	3	124
EMERGENCY MEDICINE	7	13	21	23	15	8	10	5	1	2	1	0	0	0	0	0	106
ENDOCRINOLOGY/METABOLISM	1	5	22	26	13	8	2	2	1	0	0	0	1	0	0	1	82
FAMILY PRACTICE	35	112	265	312	164	75	31	16	5	4	0	3	0	2	0	0	1024
GASTROENTEROLOGY	2	3	6	10	9	18	25	21	20	11	12	9	3	5	4	9	167
GYNECOLOGY	0	1	3	2	4	2	3	0	0	0	1	2	0	0	1	2	21
HEMATOLOGY/ONCOLOGY	3	3	24	29	32	24	25	9	3	6	1	2	1	2	1	3	168
INFECTIOUS DISEASE	3	3	10	11	4	5	2	1	0	0	0	0	1	0	0	0	40
INTERNAL MEDICINE	27	79	191	216	144	60	28	16	8	4	2	1	1	1	0	0	778
NEONATOLOGY	1	1	3	1	6	3	5	2	2	3	2	1	0	0	0	0	30
NEPHROLOGY	4	3	5	11	10	10	4	4	3	2	0	0	0	1	3	1	61
NEUROLOGY	3	9	19	20	29	21	15	9	9	7	2	2	1	2	0	2	150
OBSTETRICS/GYNECOLOGY	4	2	10	17	40	34	54	55	54	42	28	22	22	18	4	25	431
OCCUPATIONAL MEDICINE	5	6	6	11	2	1	2	1	1	0	0	0	0	0	0	0	35
OPHTHALMOLOGY	2	7	8	12	22	14	18	10	17	12	21	11	3	5	5	33	200
OTOLARYNGOLOGY	2	5	2	5	13	19	17	10	22	10	10	8	5	1	1	6	136
PATHOLOGY	1	0	2	10	0	0	0	3	0	1	0	5	0	0	0	5	27
PEDIATRICS	21	57	104	118	102	51	26	8	8	3	2	0	0	0	0	0	500
PHYSICAL MEDICINE	2	5	4	6	6	4	4	1	2	0	0	0	1	0	0	1	36
PSYCHIATRY	14	15	32	25	11	14	6	2	2	0	0	0	0	0	0	0	121
PULMONARY DISEASE	1	1	13	18	39	19	11	8	9	3	5	1	0	1	0	0	129
RADIOLOGY	10	0	1	0	3	23	9	5	24	9	19	9	11	3	5	33	164
RADIOLOGY: THERAPEUTIC	0	1	0	1	2	3	2	2	1	2	1	0	0	2	0	1	18
RHEUMATOLOGY	5	4	20	26	9	10	3	1	0	0	0	0	0	0	0	1	79
SURGERY: CARDIOVASCULAR	1	1	1	3	0	1	2	0	0	3	4	4	2	3	4	40	69
SURGERY: GENERAL	4	4	8	21	41	44	40	49	39	33	20	20	11	8	3	25	370
SURGERY: HAND	0	0	0	1	0	1	1	0	1	0	0	0	0	0	0	0	4
SURGERY: HEAD AND NECK	1	0	0	0	0	1	0	0	0	0	2	2	1	0	0	1	8
SURGERY: NEUROLOGICAL	0	0	0	2	2	1	0	3	5	6	0	2	6	5	6	24	62
SURGERY: ORAL	0	3	2	0	0	1	1	4	1	0	0	0	0	0	0	1	13
SURGERY: ORTHOPEDIC	1	0	5	7	7	4	17	32	24	29	26	21	21	16	12	46	268
SURGERY: PLASTIC	0	1	0	2	1	3	3	2	5	5	2	0	2	0	0	1	27
SURGERY: VASCULAR	0	2	0	4	2	6	4	9	5	7	6	6	4	2	1	9	67
UROLOGY	0	0	5	7	15	24	20	17	14	15	6	8	10	4	2	2	149

Notes: Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professionals born before 1923.

Table 3: Physician Frequency Distribution by Production Category (Ancillary Services Technical Charges Included)

SPECIALTY	PRODUCTION CATEGORY ($ 1000)																TOTAL
	LESS THAN 101	101 TO 150	151 TO 200	201 TO 250	251 TO 300	301 TO 350	351 TO 400	401 TO 450	451 TO 500	501 TO 550	551 TO 600	601 TO 650	651 TO 700	701 TO 750	751 TO 800	801 AND OVER	COUNT
	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	
ALLERGY/IMMUNOLOGY	0	0	2	2	4	4	3	3	2	1	2	2	0	0	0	0	25
ANESTHESIOLOGY	0	0	0	0	0	1	1	0	0	0	0	1	0	1	0	1	5
CARDIOLOGY: INVASIVE	0	1	1	0	5	7	8	10	11	12	22	18	10	11	5	34	155
CARDIOLOGY: NONINVASIVE	0	2	5	3	8	8	14	9	3	2	4	7	2	2	4	8	81
DERMATOLOGY	0	1	11	7	4	6	1	7	6	0	1	2	1	0	0	5	52
EMERGENCY MEDICINE	0	9	3	6	1	0	2	0	0	1	0	0	0	0	0	0	22
ENDOCRINOLOGY/METABOLISM	0	1	3	4	4	9	8	2	0	2	1	0	1	0	0	0	35
FAMILY PRACTICE	12	45	83	155	182	151	106	60	24	18	8	6	1	2	1	5	859
GASTROENTEROLOGY	1	1	4	3	7	11	14	15	9	11	8	10	5	5	6	12	122
GYNECOLOGY	0	1	1	4	1	1	2	3	1	1	1	1	0	0	0	0	17
HEMATOLOGY/ONCOLOGY	0	1	4	1	7	7	5	15	9	12	11	8	4	0	2	4	90
INFECTIOUS DISEASE	0	2	0	2	2	5	3	1	2	0	0	0	2	0	0	0	19
INTERNAL MEDICINE	11	13	43	99	119	96	82	39	34	14	4	8	2	4	1	2	571
NEONATOLOGY	1	0	0	1	0	1	1	1	0	3	0	0	0	0	0	0	8
NEPHROLOGY	2	3	3	0	8	0	5	6	2	1	0	0	1	0	1	0	32
NEUROLOGY	1	1	7	15	18	13	9	11	6	4	6	4	3	0	4	9	111
OBSTETRICS/GYNECOLOGY	1	0	3	7	11	26	32	27	25	32	28	29	13	13	6	30	283
OCCUPATIONAL MEDICINE	1	1	1	1	4	1	2	0	1	2	0	0	0	0	0	0	14
OPHTHALMOLOGY	2	0	4	7	6	9	2	3	9	8	7	7	14	6	2	26	112
OTOLARYNGOLOGY	0	3	6	3	11	11	15	14	6	7	8	6	7	4	0	10	111
PATHOLOGY	3	1	0	3	1	2	3	1	1	0	0	1	0	0	0	3	19
PEDIATRICS	2	11	34	49	64	38	24	15	12	3	5	1	0	0	0	0	258
PHYSICAL MEDICINE	0	2	0	0	1	0	1	0	0	1	0	0	0	0	0	0	5
PSYCHIATRY	4	4	3	0	2	1	0	1	1	0	0	0	0	0	0	0	16
PULMONARY DISEASE	1	1	0	9	15	20	11	11	16	9	0	3	1	1	0	2	100
RADIOLOGY	5	0	3	3	1	1	3	2	14	4	4	3	2	3	1	42	91
RADIOLOGY: THERAPEUTIC	0	0	0	1	0	0	1	1	1	0	0	2	0	0	1	11	18
RHEUMATOLOGY	1	4	4	6	14	9	5	10	5	3	3	3	1	0	0	1	69
SURGERY: CARDIOVASCULAR	0	0	0	0	0	0	3	0	1	0	2	0	1	1	0	7	15
SURGERY: GENERAL	1	4	4	12	17	29	36	30	17	24	13	3	5	3	2	11	211
SURGERY: HAND	0	0	0	0	0	0	0	1	2	2	1	2	1	1	0	10	20
SURGERY: HEAD AND NECK	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1
SURGERY: NEUROLOGICAL	0	0	0	1	0	1	0	0	0	0	4	5	4	0	3	16	34
SURGERY: ORAL	0	0	1	1	1	2	1	0	2	0	0	0	0	0	0	0	8
SURGERY: ORTHOPEDIC	3	3	3	2	12	10	16	29	26	34	37	30	39	26	23	117	410
SURGERY: PLASTIC	1	0	0	0	0	0	0	0	0	2	1	1	0	0	0	4	9
SURGERY: VASCULAR	0	0	0	0	1	0	1	4	6	2	2	3	4	1	2	2	28
UROLOGY	0	0	1	5	5	9	9	15	12	13	6	4	5	1	2	4	91

Notes: Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professionals born before 1923.

Medical Group Management Association
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Table 4A: Median Production per Physician by Specialty and Group Type (Ancillary Services Technical Charges Not Included)

SPECIALTY	GROUP TYPE				ALL GROUPS	
	SINGLE SPECIALTY		MULTISPECIALTY		NUMBER OF RESPONSES	PRODUCTION
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION		
ALLERGY/IMMUNOLOGY	*	*	77	$311,185	77	$311,185
ANESTHESIOLOGY	22	$367,387	114	$416,336	136	$415,523
CARDIOLOGY: INVASIVE	10	$550,301	151	$508,192	161	$508,192
CARDIOLOGY: NONINVASIVE	11	$290,885	89	$349,225	100	$348,125
DERMATOLOGY	10	$617,598	114	$353,656	124	$363,745
EMERGENCY MEDICINE	9	$295,355	97	$225,000	106	$229,932
ENDOCRINOLOGY/METABOLISM	7	$244,738	75	$219,700	82	$223,000
FAMILY PRACTICE	81	$249,382	943	$212,500	1,024	$217,104
GASTROENTEROLOGY	7	$525,393	160	$420,948	167	$425,705
GYNECOLOGY	1	*	20	$301,841	21	$311,798
HEMATOLOGY/ONCOLOGY	23	$350,050	145	$276,088	168	$284,598
INFECTIOUS DISEASE	2	*	38	$208,391	40	$213,312
INTERNAL MEDICINE	47	$280,000	731	$217,000	778	$220,905
NEONATOLOGY	12	$455,277	18	$316,861	30	$350,703
NEPHROLOGY	3	*	58	$281,492	61	$281,884
NEUROLOGY	13	$507,092	137	$274,000	150	$286,731
OBSTETRICS/GYNECOLOGY	34	$654,396	397	$443,981	431	$449,100
OCCUPATIONAL MEDICINE	*	*	35	$208,240	35	$208,240
OPHTHALMOLOGY	25	$803,170	175	$426,374	200	$471,583
OTOLARYNGOLOGY	7	$464,471	129	$412,284	136	$433,384
PATHOLOGY	0	*	27	$402,000	27	$402,000
PEDIATRICS	24	$342,159	476	$223,852	500	$226,573
PHYSICAL MEDICINE	15	$254,018	21	$267,900	36	$256,873
PSYCHIATRY	10	$315,000	111	$193,500	121	$198,817
PULMONARY DISEASE	11	$405,792	118	$280,196	129	$286,976
RADIOLOGY	62	$553,712	102	$490,000	164	$527,189
RADIOLOGY: THERAPEUTIC	3	*	15	$385,600	18	$412,295
RHEUMATOLOGY	1	*	78	$216,165	79	$216,330
SURGERY: CARDIOVASCULAR	19	$888,646	50	$872,877	69	$888,646
SURGERY: GENERAL	35	$450,773	335	$413,362	370	$416,817
SURGERY: HAND	*	*	4	*	4	*
SURGERY: HEAD AND NECK	*	*	8	$607,550	8	$607,550
SURGERY: NEUROLOGICAL	20	$892,029	42	$638,600	62	$730,002
SURGERY: ORAL	*	*	13	$354,049	13	$354,049
SURGERY: ORTHOPEDIC	15	$548,058	253	$571,400	268	$566,532
SURGERY: PLASTIC	3	*	24	$461,986	27	$456,810
SURGERY: VASCULAR	16	$583,363	51	$482,095	67	$514,738
UROLOGY	6	$370,359	143	$415,500	149	$413,000

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Graph 4A: Median Production per Physician by Selected Specialties and Group Type (Ancillary Services Technical Charges Not Included)

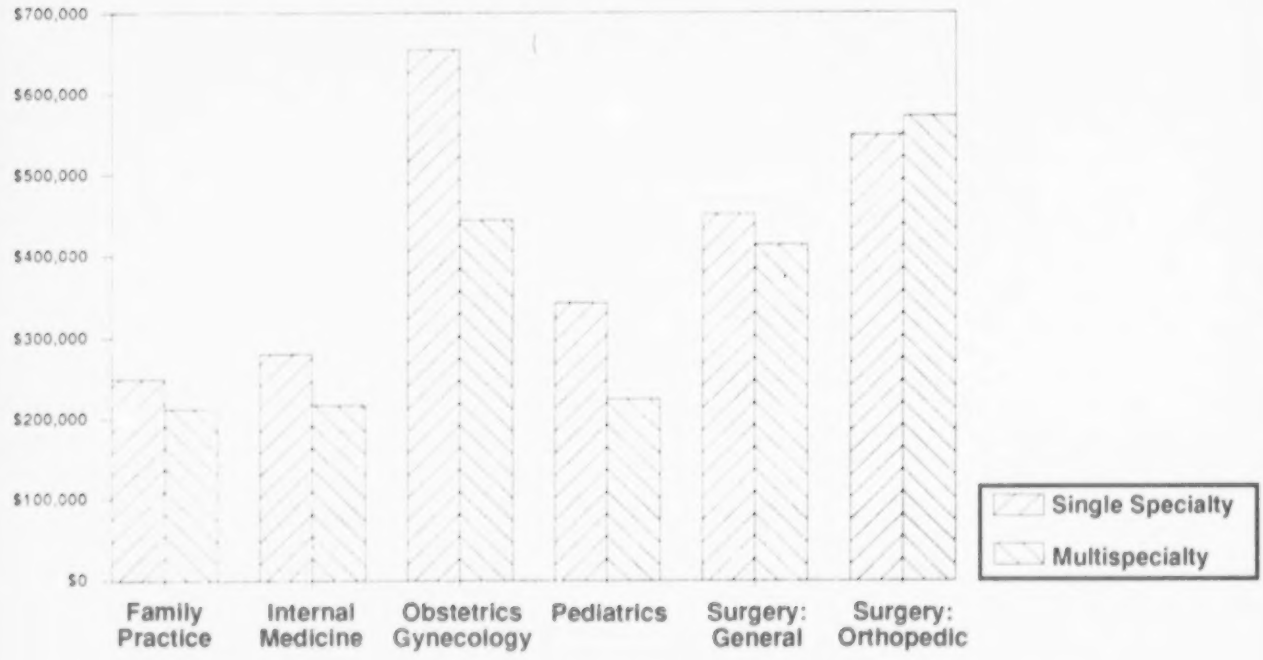

Table 4B: Median Production per Allied Healthcare Professional by Specialty and Group Type (Ancillary Services Technical Charges Not Included)

SPECIALTY	GROUP TYPE				ALL GROUPS	
	SINGLE SPECIALTY		MULTISPECIALTY		NUMBER OF RESPONSES	PRODUCTION
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION		
AUDIOLOGIST	*	*	20	$78,176	20	$78,176
NURSE PRACTITIONER	1	*	20	$89,825	21	$86,148
OPTOMETRIST	9	$33,713	36	$171,526	45	$166,918
PHYSICAL THERAPIST	1	*	34	$88,649	35	$89,806
PHYSICIANS ASSISTANT	3	*	42	$108,910	45	$109,919
PODIATRIST	*	*	19	$227,248	19	$227,248
PSYCHOLOGIST	5	*	64	$124,937	69	$124,200
SOCIAL WORKER	*	*	32	$98,445	32	$98,445

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

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Table 5A: Median Production per Physician by Specialty and Group Type (Ancillary Services Technical Charges Included)

SPECIALTY	GROUP TYPE				ALL GROUPS	
	SINGLE SPECIALTY		MULTISPECIALTY		NUMBER OF RESPONSES	PRODUCTION
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION		
ALLERGY/IMMUNOLOGY	5	*	20	$362,273	25	$357,306
ANESTHESIOLOGY	0	*	5	*	5	*
CARDIOLOGY: INVASIVE	93	$593,960	62	$621,289	155	$602,000
CARDIOLOGY: NONINVASIVE	31	$390,663	50	$442,526	81	$402,884
DERMATOLOGY	1	*	51	$313,211	52	$311,606
EMERGENCY MEDICINE	9	$125,000	13	$223,381	22	$184,306
ENDOCRINOLOGY/METABOLISM	6	$289,577	29	$337,866	35	$332,848
FAMILY PRACTICE	258	$278,458	601	$289,590	859	$284,567
GASTROENTEROLOGY	25	$414,861	97	$508,474	122	$480,450
GYNECOLOGY	2	*	15	$369,000	17	$369,000
HEMATOLOGY/ONCOLOGY	30	$450,449	60	$515,825	90	$478,225
INFECTIOUS DISEASE	*	*	19	$329,720	19	$329,720
INTERNAL MEDICINE	88	$299,795	483	$302,610	571	$301,559
NEONATOLOGY	*	*	8	$386,146	8	$386,146
NEPHROLOGY	3	*	29	$297,021	32	$331,567
NEUROLOGY	68	$427,252	43	$315,000	111	$358,567
OBSTETRICS/GYNECOLOGY	77	$600,411	206	$475,832	283	$515,522
OCCUPATIONAL MEDICINE	*	*	14	$287,617	14	$287,617
OPHTHALMOLOGY	36	$689,184	76	$538,217	112	$581,246
OTOLARYNGOLOGY	34	$526,270	77	$406,091	111	$426,251
PATHOLOGY	*	*	19	$339,357	19	$339,357
PEDIATRICS	30	$288,190	228	$269,862	258	$274,599
PHYSICAL MEDICINE	1	*	4	*	5	*
PSYCHIATRY	3	*	13	$146,797	16	$152,250
PULMONARY DISEASE	37	$378,653	63	$351,998	100	$368,029
RADIOLOGY	27	$890,000	64	$523,601	91	$705,973
RADIOLOGY: THERAPEUTIC	13	$1,004,500	5	*	18	$964,750
RHEUMATOLOGY	21	$425,900	48	$287,070	69	$325,295
SURGERY: CARDIOVASCULAR	3	*	12	$1,055,445	15	$710,695
SURGERY: GENERAL	3	*	208	$405,660	211	$405,128
SURGERY: HAND	18	$821,141	2	*	20	$774,585
SURGERY: HEAD AND NECK	*	*	1	*	1	*
SURGERY: NEUROLOGICAL	25	$843,100	9	$618,405	34	$776,400
SURGERY: ORAL	4	*	4	*	8	$339,609
SURGERY: ORTHOPEDIC	276	$683,177	134	$546,474	410	$651,078
SURGERY: PLASTIC	2	*	7	$605,011	9	$605,011
SURGERY: VASCULAR	1	*	27	$569,559	28	$542,249
UROLOGY	20	$516,144	71	$431,225	91	$467,011

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Graph 5A: Median Production per Physician by Selected Specialties and Group Type (Ancillary Services Technical Charges Included)

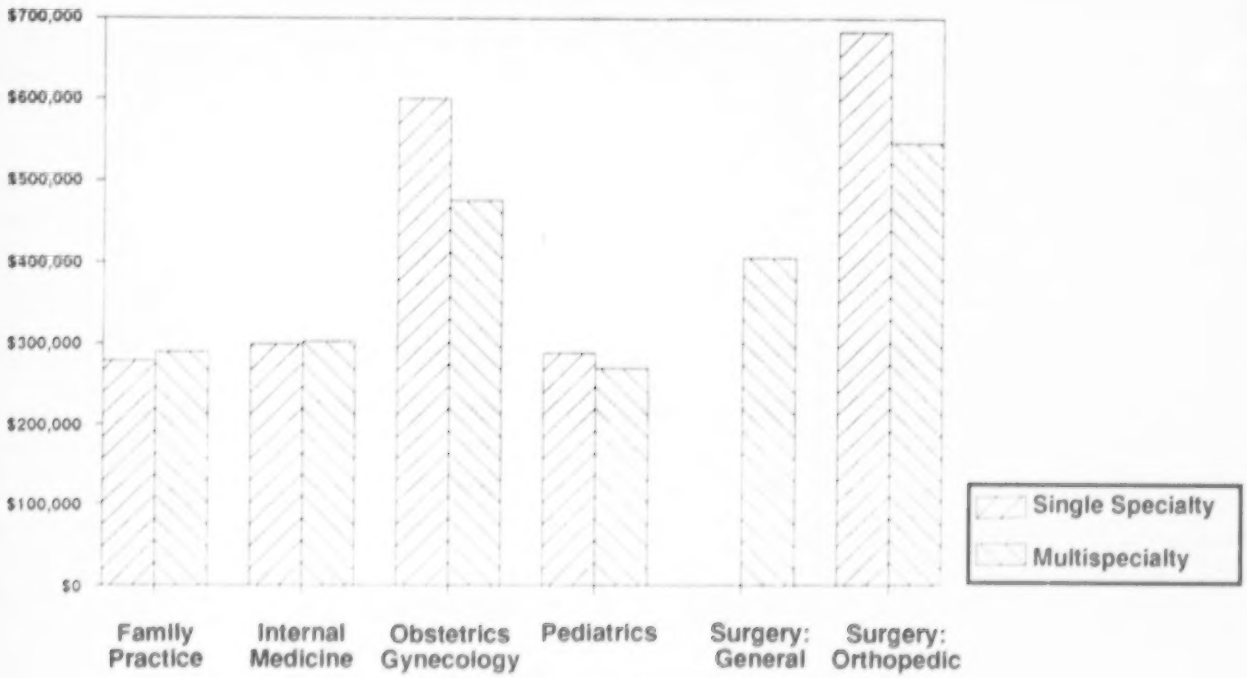

Table 5B: Median Production per Allied Healthcare Professional by Specialty and Group Type (Ancillary Services Technical Charges Included)

SPECIALTY	GROUP TYPE				ALL GROUPS	
	SINGLE SPECIALTY		MULTISPECIALTY		NUMBER OF RESPONSES	PRODUCTION
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION		
AUDIOLOGIST	1	*	4	*	5	*
NURSE PRACTITIONER	7	$37,186	7	$84,700	14	$64,214
OPTOMETRIST	*	*	3	*	3	*
PHYSICAL THERAPIST	*	*	1	*	1	*
PHYSICIANS ASSISTANT	8	$108,400	12	$119,867	20	$115,942
PODIATRIST	5	*	3	*	8	$150,000
PSYCHOLOGIST	7	$117,775	13	$109,572	20	$113,674
SOCIAL WORKER	1	*	*	*	1	*

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Medical Group Management Association
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Table 6A: Median Production per Physician by Specialty and Geographic Section (Ancillary Services Technical Charges Not Included)

SPECIALTY	MGMA SECTION							
	EASTERN SECTION		MIDWEST SECTION		SOUTHERN SECTION		WESTERN SECTION	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
ALLERGY/IMMUNOLOGY	8	$174,731	43	$336,082	9	$374,110	17	$305,000
ANESTHESIOLOGY	18	$543,803	53	$431,109	36	$418,814	29	$328,561
CARDIOLOGY: INVASIVE	25	$500,000	51	$509,494	33	$648,732	52	$422,151
CARDIOLOGY: NONINVASIVE	15	$360,000	37	$380,655	26	$336,525	22	$299,936
DERMATOLOGY	10	$318,534	54	$366,237	29	$363,886	31	$390,000
EMERGENCY MEDICINE	16	$273,849	45	$208,253	11	$162,700	34	$244,214
ENDOCRINOLOGY/METABOLISM	9	$172,000	27	$206,000	18	$254,199	28	$226,600
FAMILY PRACTICE	125	$209,970	448	$206,077	169	$222,564	282	$231,684
GASTROENTEROLOGY	21	$463,562	57	$433,000	38	$511,265	51	$352,573
GYNECOLOGY	4	*	10	$313,652	5	*	2	*
HEMATOLOGY/ONCOLOGY	21	$223,215	64	$323,778	33	$322,803	50	$256,655
INFECTIOUS DISEASE	5	*	21	$224,000	7	$283,432	7	$169,000
INTERNAL MEDICINE	110	$230,668	359	$213,356	140	$244,777	169	$207,606
NEONATOLOGY	4	*	14	$294,895	3	*	9	$463,774
NEPHROLOGY	6	$271,658	24	$320,480	13	$331,656	18	$236,646
NEUROLOGY	26	$219,220	69	$330,517	23	$275,223	32	$289,750
OBSTETRICS/GYNECOLOGY	49	$363,568	180	$443,787	84	$491,845	118	$444,688
OCCUPATIONAL MEDICINE	*	*	15	$190,000	5	*	15	$222,000
OPHTHALMOLOGY	27	$529,844	81	$470,000	29	$480,688	63	$497,000
OTOLARYNGOLOGY	20	$469,576	73	$405,332	18	$521,008	25	$330,752
PATHOLOGY	13	$212,000	8	$631,000	6	$1,384,664	0	*
PEDIATRICS	52	$233,335	216	$230,965	105	$220,601	127	$235,673
PHYSICAL MEDICINE	3	*	25	$234,467	*	*	8	$268,192
PSYCHIATRY	16	$175,154	65	$205,513	10	$276,035	30	$168,164
PULMONARY DISEASE	18	$256,114	37	$274,537	26	$335,272	48	$286,697
RADIOLOGY	31	$490,000	57	$477,572	50	$503,363	26	$553,712
RADIOLOGY: THERAPEUTIC	4	*	10	$309,000	4	*	0	*
RHEUMATOLOGY	8	$196,031	29	$216,000	14	$249,911	28	$212,254
SURGERY: CARDIOVASCULAR	15	$1,393,026	16	$861,573	20	$779,283	18	$688,932
SURGERY: GENERAL	51	$398,000	170	$430,926	80	$424,552	69	$401,005
SURGERY: HAND	1	*	1	*	*	*	2	*
SURGERY: HEAD AND NECK	*	*	4	*	1	*	3	*
SURGERY: NEUROLOGICAL	17	$707,000	22	$586,534	6	$838,951	17	$831,800
SURGERY: ORAL	5	*	6	$441,022	1	*	1	*
SURGERY: ORTHOPEDIC	36	$566,080	119	$585,154	53	$628,825	60	$507,175
SURGERY: PLASTIC	2	*	10	$403,373	*	*	15	$490,800
SURGERY: VASCULAR	8	$692,933	27	$482,515	11	$546,350	21	$417,427
UROLOGY	19	$365,169	68	$446,357	31	$447,630	31	$401,502

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Graph 6A: Median Production per Physician by Selected Specialties and Geographic Section (Ancillary Services Technical Charges Not Included)

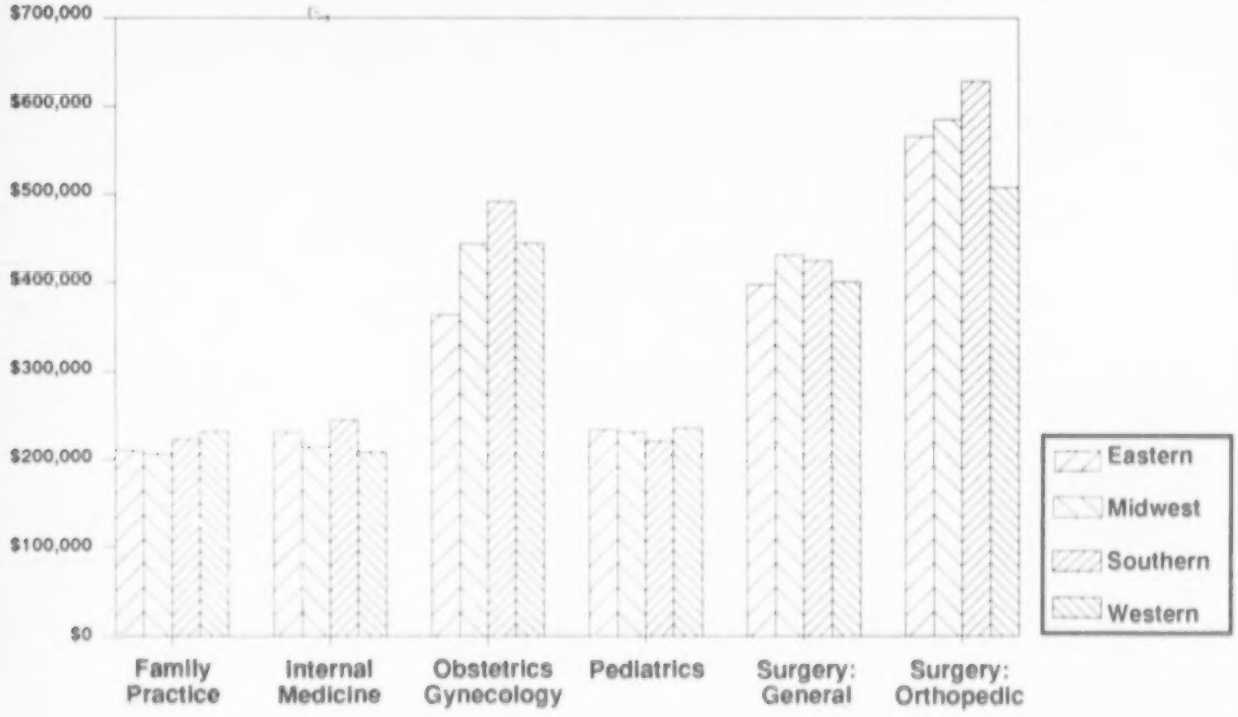


Table 6B: Median Production per Allied Healthcare Professional by Specialty and Geographic Section (Ancillary Services Technical Charges Not Included)

SPECIALTY	MGMA SECTION							
	EASTERN SECTION		MIDWEST SECTION		SOUTHERN SECTION		WESTERN SECTION	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
AUDIOLOGIST	4	*	12	$75,944	3	*	1	*
NURSE PRACTITIONER	8	$85,823	6	$106,516	3	*	4	*
OPTOMETRIST	9	$76,729	20	$168,175	5	*	11	$101,600
PHYSICAL THERAPIST	1	*	22	$105,424	10	$86,508	2	*
PHYSICIANS ASSISTANT	13	$117,427	10	$120,364	8	$69,133	14	$108,727
PODIATRIST	2	*	4	*	2	*	11	$220,400
PSYCHOLOGIST	8	$80,859	40	$125,778	7	$150,196	14	$128,600
SOCIAL WORKER	6	$96,314	24	$104,438	*	*	2	*

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Medical Group Management Association
1989 Production Survey Based on 1988 Data

Table 7A: Median Production per Physician by Specialty and Geographic Section (Ancillary Services Technical Charges Included)

SPECIALTY	MGMA SECTION							
	EASTERN SECTION		MIDWEST SECTION		SOUTHERN SECTION		WESTERN SECTION	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
ALLERGY/IMMUNOLOGY	3	*	6	$360,245	5	*	11	$357,306
ANESTHESIOLOGY	0	*	2	*	1	*	2	*
CARDIOLOGY: INVASIVE	18	$593,960	27	$595,449	67	$626,320	43	$550,769
CARDIOLOGY: NONINVASIVE	17	$378,400	14	$623,681	21	$480,874	29	$339,900
DERMATOLOGY	4	*	21	$260,000	12	$481,924	15	$382,514
EMERGENCY MEDICINE	*	*	14	$135,000	1	*	7	$223,381
ENDOCRINOLOGY/METABOLISM	5	*	4	*	15	$359,800	11	$250,793
FAMILY PRACTICE	32	$240,959	487	$276,055	190	$319,068	150	$280,018
GASTROENTEROLOGY	25	$414,861	22	$499,624	41	$537,630	34	$422,508
GYNECOLOGY	*	*	2	*	9	$384,669	6	$353,458
HEMATOLOGY/ONCOLOGY	15	$485,000	28	$509,136	33	$475,569	14	$439,565
INFECTIOUS DISEASE	4	*	2	*	5	*	8	$352,755
INTERNAL MEDICINE	69	$299,792	182	$286,002	186	$329,972	134	$295,632
NEONATOLOGY	*	*	4	*	2	*	2	*
NEPHROLOGY	*	*	9	$393,684	11	$422,728	12	$282,757
NEUROLOGY	10	$371,934	49	$379,411	27	$521,979	25	$269,257
OBSTETRICS/GYNECOLOGY	38	$591,370	99	$441,900	84	$577,027	62	$448,405
OCCUPATIONAL MEDICINE	1	*	6	$267,307	3	*	4	*
OPHTHALMOLOGY	17	$624,027	38	$499,722	24	$619,632	33	$669,725
OTOLARYNGOLOGY	15	$387,242	37	$343,957	38	$541,140	21	$436,862
PATHOLOGY	*	*	7	$201,266	4	*	8	$345,176
PEDIATRICS	12	$299,128	100	$271,905	69	$286,414	77	$258,788
PHYSICAL MEDICINE	*	*	1	*	2	*	2	*
PSYCHIATRY	*	*	7	$111,581	5	*	4	*
PULMONARY DISEASE	10	$335,100	22	$297,396	40	$400,663	28	$417,951
RADIOLOGY	7	$613,314	28	$890,000	19	$477,383	37	$815,369
RADIOLOGY: THERAPEUTIC	*	*	8	$732,450	3	*	7	$1,005,000
RHEUMATOLOGY	8	$330,295	16	$326,148	20	$368,963	25	$274,373
SURGERY: CARDIOVASCULAR	3	*	2	*	10	$835,927	*	*
SURGERY: GENERAL	19	$426,285	98	$378,521	51	$452,245	43	$388,606
SURGERY: HAND	3	*	5	*	7	$1,639,900	5	*
SURGERY: HEAD AND NECK	*	*	*	*	*	*	1	*
SURGERY: NEUROLOGICAL	7	$673,530	5	*	19	$815,600	3	*
SURGERY: ORAL	*	*	7	$340,311	1	*	*	*
SURGERY: ORTHOPEDIC	71	$657,456	123	$624,965	143	$731,000	73	$527,417
SURGERY: PLASTIC	1	*	2	*	5	*	1	*
SURGERY: VASCULAR	1	*	5	*	11	$670,461	11	$476,964
UROLOGY	9	$514,927	21	$373,871	45	$472,948	16	$426,712

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Graph 7A: Median Production per Physician by Selected Specialties and Geographic Section (Ancillary Services Technical Charges Included)

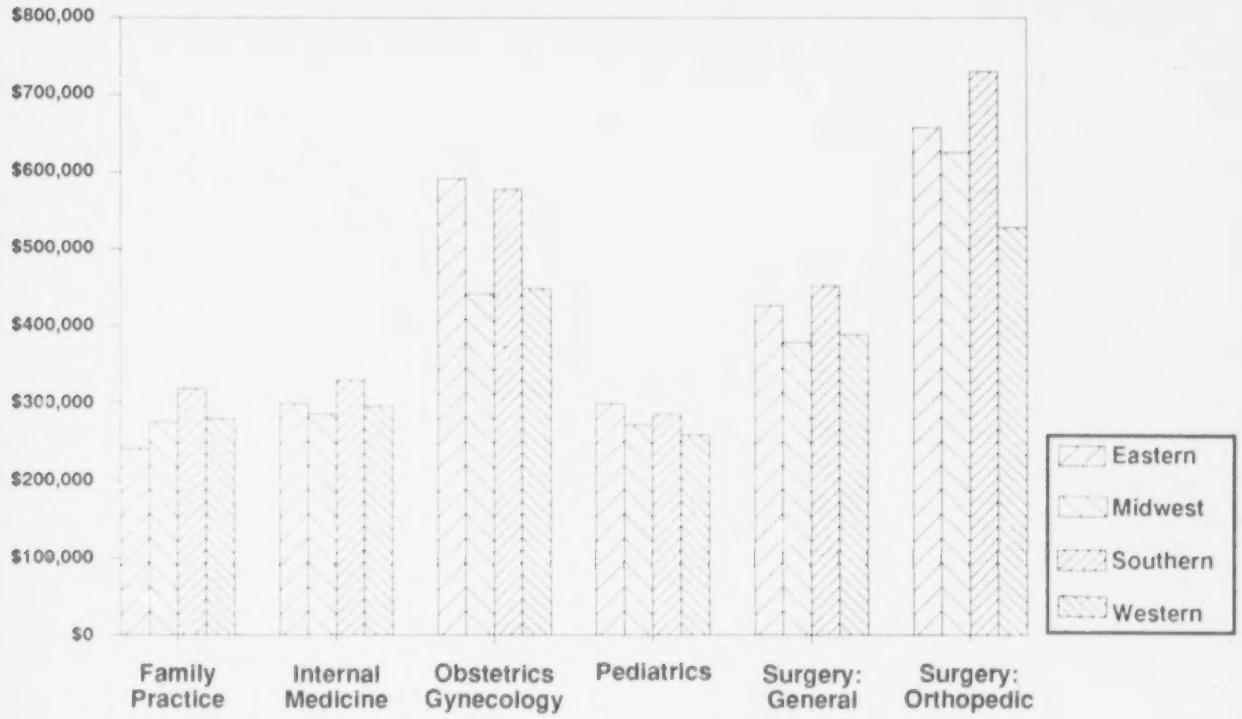


Table 7B: Median Production per Allied Healthcare Professional by Specialty and Geographic Section (Ancillary Services Technical Charges Included)

SPECIALTY	MGMA SECTION							
	EASTERN SECTION		MIDWEST SECTION		SOUTHERN SECTION		WESTERN SECTION	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
AUDIOLOGIST	2	*	*	*	3	*	*	*
NURSE PRACTITIONER	1	*	9	$62,807	2	*	2	*
OPTOMETRIST	1	*	1	*	1	*	*	*
PHYSICAL THERAPIST	*	*	*	*	1	*	*	*
PHYSICIANS ASSISTANT	6	$106,575	8	$112,191	1	*	5	*
PODIATRIST	*	*	3	*	5	*	*	*
PSYCHOLOGIST	*	*	15	$108,012	3	*	2	*
SOCIAL WORKER	*	*	1	*	*	*	*	*

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Table 8: Median Production per Physician by Specialty and Percentage of Production Attributed to Managed Care (Ancillary Services Technical Charges Not Included)

SPECIALTY	% OF PRODUCTION ATTRIBUTED TO MANAGED CARE							
	NONE		1% TO 20%		21% TO 40%		41% TO 100%	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
ALLERGY/IMMUNOLOGY	14	$363,604	21	$244,919	20	$383,262	22	$308,909
ANESTHESIOLOGY	39	$428,183	46	$433,135	39	$310,973	12	$545,000
CARDIOLOGY: INVASIVE	57	$546,226	76	$510,887	23	$444,806	5	*
CARDIOLOGY: NONINVASIVE	31	$319,945	39	$306,341	14	$367,748	16	$618,085
DERMATOLOGY	36	$353,864	36	$287,392	20	$387,335	32	$393,500
EMERGENCY MEDICINE	38	$211,866	26	$287,878	18	$241,000	24	$174,105
ENDOCRINOLOGY/METABOLISM	23	$224,836	35	$201,191	13	$234,100	11	$224,000
FAMILY PRACTICE	250	$211,664	312	$216,793	166	$216,758	296	$221,885
GASTROENTEROLOGY	53	$431,796	72	$395,500	26	$469,010	16	$444,645
GYNECOLOGY	11	$245,700	*	*	10	$368,307	*	*
HEMATOLOGY/ONCOLOGY	49	$313,288	79	$274,300	23	$272,832	17	$292,000
INFECTIOUS DISEASE	9	$195,110	17	$202,000	5	*	9	$219,668
INTERNAL MEDICINE	248	$224,195	194	$210,650	153	$226,734	183	$225,921
NEONATOLOGY	11	$461,000	17	$312,722	*	*	2	*
NEPHROLOGY	24	$333,749	25	$269,256	8	$323,042	4	*
NEUROLOGY	49	$281,000	63	$269,000	29	$311,902	9	$325,501
OBSTETRICS/GYNECOLOGY	119	$491,889	107	$410,280	78	$476,966	127	$436,611
OCCUPATIONAL MEDICINE	14	$160,297	14	$206,192	4	*	3	*
OPHTHALMOLOGY	59	$470,000	86	$558,350	18	$461,405	37	$387,000
OTOLARYNGOLOGY	42	$377,123	41	$451,388	26	$489,841	27	$453,548
PATHOLOGY	14	$402,000	8	$212,000	5	*	0	*
PEDIATRICS	117	$228,626	113	$200,700	100	$231,219	170	$237,661
PHYSICAL MEDICINE	18	$241,238	15	$314,807	1	*	2	*
PSYCHIATRY	42	$201,222	22	$210,166	25	$235,800	32	$179,576
PULMONARY DISEASE	36	$290,169	61	$280,660	21	$296,572	11	$262,874
RADIOLOGY	98	$482,809	37	$662,000	17	$880,000	12	$479,507
RADIOLOGY: THERAPEUTIC	7	$450,144	5	*	6	$303,583	0	*
RHEUMATOLOGY	15	$211,347	37	$211,608	16	$216,828	11	$246,000
SURGERY: CARDIOVASCULAR	19	$834,500	46	$848,123	2	*	2	*
SURGERY: GENERAL	150	$403,681	114	$399,131	55	$444,500	51	$516,153
SURGERY: HAND	1	*	3	*	*	*	*	*
SURGERY: HEAD AND NECK	1	*	3	*	1	*	3	*
SURGERY: NEUROLOGICAL	15	$532,129	28	$743,590	12	$745,440	7	$910,028
SURGERY: ORAL	6	$161,517	6	$393,525	1	*	*	*
SURGERY: ORTHOPEDIC	84	$536,599	89	$563,764	54	$575,600	41	$622,643
SURGERY: PLASTIC	6	$450,271	14	$461,986	6	$399,064	1	*
SURGERY: VASCULAR	15	$514,738	36	$535,399	11	$482,515	5	*
UROLOGY	55	$389,927	49	$415,500	29	$377,110	16	$542,901

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Table 9: Median Production per Physician by Specialty and Years in Specialty (Ancillary Services Technical Charges Not Included)

SPECIALTY	YEARS IN SPECIALTY CATEGORY							
	1 TO 5 YEARS		6 TO 10 YEARS		11 TO 20 YEARS		21 OR MORE YEARS	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
ALLERGY/IMMUNOLOGY	5	*	19	$328,044	18	$292,504	18	$299,764
ANESTHESIOLOGY	40	$368,224	9	$440,000	38	$391,523	13	$309,500
CARDIOLOGY: INVASIVE	27	$399,000	27	$601,209	46	$550,637	12	$474,034
CARDIOLOGY: NONINVASIVE	10	$496,399	14	$386,712	27	$354,490	22	$265,371
DERMATOLOGY	22	$280,988	21	$388,948	36	$369,237	15	$313,500
EMERGENCY MEDICINE	28	$216,844	30	$229,841	19	$254,000	3	*
ENDOCRINOLOGY/METABOLISM	11	$205,300	16	$231,500	28	$239,619	12	$185,511
FAMILY PRACTICE	241	$206,839	208	$230,914	200	$235,631	120	$206,536
GASTROENTEROLOGY	30	$436,000	16	$520,682	54	$397,796	29	$400,500
GYNECOLOGY	*	*	3	*	2	*	7	$252,274
HEMATOLOGY/ONCOLOGY	23	$322,294	33	$306,903	53	$257,049	24	$287,583
INFECTIOUS DISEASE	8	$201,055	8	$251,550	13	$241,482	5	*
INTERNAL MEDICINE	162	$198,660	156	$232,102	179	$226,552	111	$208,946
NEONATOLOGY	10	$323,455	9	$449,554	4	*	1	*
NEPHROLOGY	5	*	12	$252,451	20	$303,844	7	$293,500
NEUROLOGY	26	$280,862	25	$309,772	47	$293,000	12	$298,750
OBSTETRICS/GYNECOLOGY	93	$415,000	78	$477,931	111	$484,319	67	$408,574
OCCUPATIONAL MEDICINE	11	$225,400	6	$123,566	3	*	3	*
OPHTHALMOLOGY	37	$383,726	30	$573,640	63	$588,141	22	$379,142
OTOLARYNGOLOGY	24	$443,817	28	$454,194	34	$444,691	20	$315,388
PATHOLOGY	2	*	4	*	6	$795,946	7	$402,000
PEDIATRICS	118	$200,281	88	$246,744	115	$232,223	80	$245,474
PHYSICAL MEDICINE	12	$237,570	8	$311,737	8	$247,403	2	*
PSYCHIATRY	21	$178,610	16	$183,771	33	$207,788	14	$154,535
PULMONARY DISEASE	19	$280,660	36	$308,962	35	$287,392	11	$259,000
RADIOLOGY	24	$517,335	29	$515,460	40	$513,822	18	$565,086
RADIOLOGY: THERAPEUTIC	5	*	3	*	5	*	0	*
RHEUMATOLOGY	11	$196,599	16	$214,561	30	$217,472	6	$300,507
SURGERY: CARDIOVASCULAR	9	$763,230	17	$1,175,192	17	$898,060	10	$699,176
SURGERY: GENERAL	45	$423,403	53	$453,676	105	$421,106	85	$357,989
SURGERY: HAND	1	*	1	*	1	*	1	*
SURGERY: HEAD AND NECK	1	*	4	*	3	*	*	*
SURGERY: NEUROLOGICAL	9	$728,480	14	$870,329	18	$773,100	8	$718,340
SURGERY: ORAL	2	*	1	*	4	*	3	*
SURGERY: ORTHOPEDIC	46	$544,277	51	$544,549	74	$619,559	29	$464,702
SURGERY: PLASTIC	7	$456,810	5	*	8	$536,365	4	*
SURGERY: VASCULAR	12	$529,824	12	$613,460	16	$512,526	13	$572,500
UROLOGY	20	$363,636	18	$382,814	51	$413,000	31	$366,102

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Table 10: Median Production per Physician by Specialty, Compensation Incentives, and Physician Extenders Included in Production (Ancillary Services Technical Charges Not Included)

SPECIALTY	COMPENSATION INCENTIVES				PHYSICIAN EXTENDERS INCLUDED IN PRODUCTION			
	YES		NO		YES		NO	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION
ALLERGY/IMMUNOLOGY	74	$310,793	1	*	6	$426,429	69	$310,400
ANESTHESIOLOGY	105	$387,000	25	$543,497	48	$378,857	86	$445,000
CARDIOLOGY: INVASIVE	126	$523,128	24	$458,267	16	$413,950	141	$509,494
CARDIOLOGY: NONINVASIVE	89	$354,490	9	$256,000	1	*	97	$349,225
DERMATOLOGY	111	$359,882	2	*	4	*	119	$365,473
EMERGENCY MEDICINE	53	$256,817	49	$215,479	3	*	101	$232,766
ENDOCRINOLOGY/METABOLISM	77	$224,000	5	*	5	*	73	$224,000
FAMILY PRACTICE	893	$220,748	70	$199,401	51	$233,289	961	$213,867
GASTROENTEROLOGY	151	$425,705	11	$409,000	6	$455,139	155	$430,606
GYNECOLOGY	19	$311,798	1	*	*	*	19	$346,927
HEMATOLOGY/ONCOLOGY	152	$283,776	14	$293,078	15	$322,294	143	$283,165
INFECTIOUS DISEASE	36	$213,312	3	*	2	*	38	$213,312
INTERNAL MEDICINE	660	$225,969	86	$190,659	62	$217,544	698	$222,734
NEONATOLOGY	16	$295,861	12	$455,277	*	*	29	$349,392
NEPHROLOGY	56	$281,492	4	*	1	*	57	$281,884
NEUROLOGY	135	$296,000	9	$197,413	14	$280,657	134	$289,981
OBSTETRICS/GYNECOLOGY	363	$455,497	58	$372,612	49	$507,119	368	$436,156
OCCUPATIONAL MEDICINE	31	$213,403	4	*	1	*	34	$210,822
OPHTHALMOLOGY	175	$476,183	18	$346,678	12	$634,160	181	$470,400
OTOLARYNGOLOGY	120	$452,468	9	$309,577	27	$466,774	106	$405,966
PATHOLOGY	22	$475,530	5	*	*	*	26	$312,409
PEDIATRICS	441	$230,000	42	$163,262	58	$246,848	435	$223,873
PHYSICAL MEDICINE	32	$263,814	2	*	*	*	36	$256,873
PSYCHIATRY	93	$205,453	20	$163,532	14	$322,000	107	$182,000
PULMONARY DISEASE	121	$287,500	7	$211,503	5	*	119	$287,250
RADIOLOGY	90	$591,222	74	$508,964	1	*	160	$534,364
RADIOLOGY: THERAPEUTIC	14	$357,512	4	*	*	*	18	$412,295
RHEUMATOLOGY	74	$216,781	4	*	*	*	75	$216,330
SURGERY: CARDIOVASCULAR	43	$807,600	23	$938,914	*	*	68	$893,353
SURGERY: GENERAL	299	$429,148	53	$361,871	19	$466,000	339	$416,100
SURGERY: HAND	4	*	*	*	*	*	4	*
SURGERY: HEAD AND NECK	8	$607,550	*	*	*	*	8	$607,550
SURGERY: NEUROLOGICAL	41	$706,282	11	$780,180	10	$837,965	52	$717,740
SURGERY: ORAL	11	$354,049	1	*	*	*	13	$354,049
SURGERY: ORTHOPEDIC	229	$563,000	30	$549,909	30	$474,261	233	$583,594
SURGERY: PLASTIC	22	$461,986	5	*	1	*	25	$456,810
SURGERY: VASCULAR	52	$522,568	10	$583,110	1	*	66	$512,526
UROLOGY	137	$413,000	7	$347,000	6	$507,799	135	$401,900

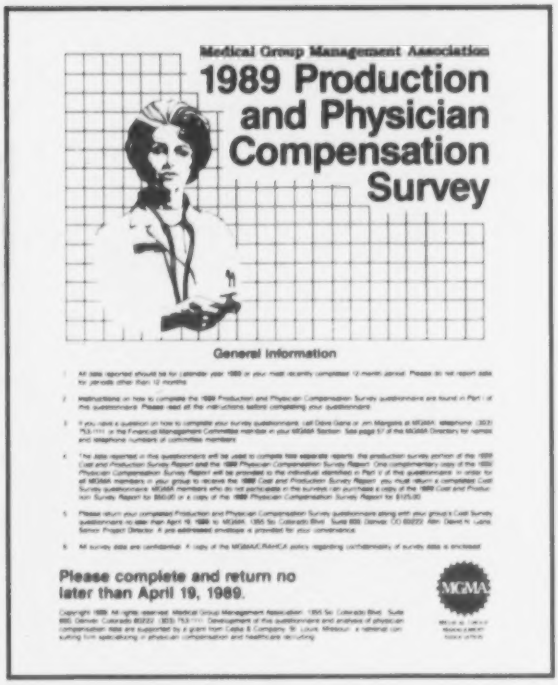
Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Table 11: Median Production per Physician and Median Appointment Hours per Week per Physician by Specialty and Gender (Ancillary Services Technical Charges Not Included)

SPECIALTY	GENDER				GENDER			
	MALE		FEMALE		MALE		FEMALE	
	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	PRODUCTION	NUMBER OF RESPONSES	APPOINTMENT HOURS PER WEEK	NUMBER OF RESPONSES	APPOINTMENT HOURS PER WEEK
ALLERGY/IMMUNOLOGY	72	$310,793	5	*	28	32	2	*
ANESTHESIOLOGY	107	$394,600	28	$486,679	21	37	1	*
CARDIOLOGY: INVASIVE	155	$513,582	5	*	55	17	2	*
CARDIOLOGY: NONINVASIVE	94	$350,309	4	*	51	25	2	*
DERMATOLOGY	110	$366,237	14	$307,450	45	36	6	34
EMERGENCY MEDICINE	89	$232,766	15	$196,000	28	35	3	*
ENDOCRINOLOGY/METABOLISM	73	$222,000	6	$213,446	27	30	3	*
FAMILY PRACTICE	931	$218,938	87	$201,179	424	32	47	32
GASTROENTEROLOGY	165	$430,606	1	*	67	29	0	*
GYNECOLOGY	19	$311,798	*	*	10	19	*	*
HEMATOLOGY/ONCOLOGY	152	$283,776	12	$314,150	67	27	6	26
INFECTIOUS DISEASE	36	$213,312	3	*	19	30	3	*
INTERNAL MEDICINE	691	$226,552	75	$160,000	380	30	36	32
NEONATOLOGY	26	$367,851	4	*	1	*	1	*
NEPHROLOGY	55	$293,500	4	*	17	28	2	*
NEUROLOGY	135	$286,962	11	$196,000	51	32	4	*
OBSTETRICS/GYNECOLOGY	338	$459,709	68	$393,140	189	24	46	25
OCCUPATIONAL MEDICINE	32	$210,822	3	*	18	34	3	*
OPHTHALMOLOGY	176	$479,033	17	$287,000	77	32	7	32
OTOLARYNGOLOGY	127	$430,547	6	$336,500	65	24	1	*
PATHOLOGY	26	$312,409	1	*	0	*	2	*
PEDIATRICS	398	$236,918	92	$176,775	220	32	57	36
PHYSICAL MEDICINE	28	$268,192	7	$238,121	11	20	6	10
PSYCHIATRY	100	$190,250	16	$209,727	32	32	4	*
PULMONARY DISEASE	128	$287,113	0	*	54	22	0	*
RADIOLOGY	147	$525,706	13	$490,000	51	38	6	40
RADIOLOGY: THERAPEUTIC	16	$412,091	2	*	3	*	1	*
RHEUMATOLOGY	76	$217,370	3	*	32	32	2	*
SURGERY: CARDIOVASCULAR	67	$834,500	1	*	22	6	1	*
SURGERY: GENERAL	357	$420,267	6	$380,667	187	15	3	*
SURGERY: HAND	4	*	*	*	2	*	*	*
SURGERY: HEAD AND NECK	8	$607,550	*	*	1	*	*	*
SURGERY: NEUROLOGICAL	61	$731,524	1	*	30	14	1	*
SURGERY: ORAL	13	$354,049	*	*	3	*	*	*
SURGERY: ORTHOPEDIC	263	$563,764	2	*	122	23	2	*
SURGERY: PLASTIC	23	$459,839	4	*	9	25	2	*
SURGERY: VASCULAR	67	$514,738	*	*	33	16	*	*
UROLOGY	147	$401,900	1	*	73	20	1	*

Notes: An asterisk indicates that a median value is suppressed when the number of responses is less than 6. An asterisk in the "number of responses" column should be interpreted as a zero. Excluded from this table are data for: university and government affiliated medical groups; physicians earning less than $20,000 per year; allied health care professionals earning less than $10,000 per year; and all professional born before 1923.

Medical Group Management Association
1989 Production Survey Based on 1988 Data



Medical Group Management Association

1989 Production and Physician Compensation Survey

General Information

1. All data reported should be for calendar year 1988 or your most recently completed 12 month period. Please do not report data for periods other than 12 months.

2. Instructions on how to complete the 1989 Production and Physician Compensation Survey questionnaire are found in Part I of this questionnaire. Please read all the instructions before completing your questionnaire.

3. If you have a question on how to complete your survey questionnaire, call Debra Gans or Jim Margolis at MGMA (telephone: (303) 753-1111) or the Financial Management Committee member in your MGMA Section. See page 57 of the MGMA Directory for names and telephone numbers of committee members.

4. The data reported in this questionnaire will be used to compile two separate reports: the production survey portion of the 1989 Cost and Production Survey Report and the 1989 Physician Compensation Survey Report. One complimentary copy of the 1989 Physician Compensation Survey Report will be provided to the individual identified in Part V of this questionnaire. In order for all MGMA members in your group to receive the 1989 Cost and Production Survey Report, you must return a completed Cost Survey questionnaire. MGMA members who do not participate in the survey can purchase a copy of the 1989 Cost and Production Survey Report for $50.00 or a copy of the 1989 Physician Compensation Survey Report for $125.00.

5. Please return your completed Production and Physician Compensation Survey questionnaire along with your group's Cost Survey questionnaire no later than April 19, 1989 to MGMA, 1355 So. Colorado Blvd., Suite 800, Denver, CO 80222. Attn: David N. Lubic, Senior Project Director. A pre-addressed envelope is provided for your convenience.

6. All survey data are confidential. A copy of the MGMA/CRAHCA policy regarding confidentiality of survey data is enclosed.

Please complete and return no later than April 19, 1989.

Copyright 1989. All rights reserved. Medical Group Management Association, 1355 So. Colorado Blvd., Suite 800, Denver, Colorado 80222 / (303) 753-1111. Development of this questionnaire and analysis of physician compensation data are supported by a grant from Cejka & Company, St. Louis, Missouri, a national consulting firm specializing in physician compensation and healthcare recruiting.

MGMA

Medical Group Mangement Association
1989 Production and Physician Compensation Survey

PART II. 1989 PHYSICIAN COMPENSATION REPORT SURVEY MAILING LIST

This part of the questionnaire provides information needed to properly distribute the 1989 Physician Compensation Survey Report. This report will be provided at no charge to the medical groups that participate in the survey. One copy of the 1989 Physician Compensation Survey Report will be mailed to the individual designated below.

All survey data are confidential. Please see the enclosed MGMA policy statement regarding how the identity of survey participants is safeguarded.

Name of Respondent: MGMA Member Number:

Title/Position:

Name of Medical Group:

Address:

City: State/Province: Zip/PC:

SUGGESTIONS AND COMMENTS:

THANK YOU FOR YOUR TIME AND EFFORT IN COMPLETING THIS SURVEY!

Sincerely,

MGMA Financial Management Committee
(List MGMA Name & Title)

Please return your completed questionnaire no later than April 19, 1989 to: MGMA Cost and Production Survey, 1355 So. Colorado Blvd., Suite 800, Denver, CO 80222, Attn: David N. Lubic, Senior Project Director. A pre-addressed envelope is provided for your convenience.

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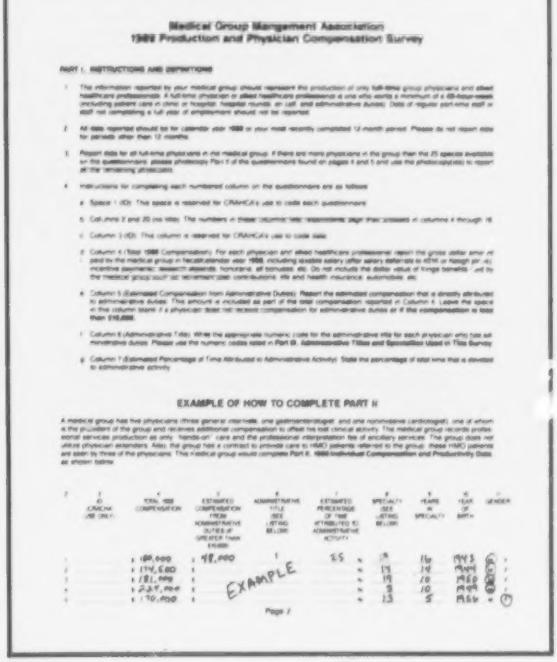

Medical Group Mangement Association
1989 Production and Physician Compensation Survey

PART I. INSTRUCTIONS AND DEFINITIONS

1. This information reported by your medical group should represent the production of only full-time group physicians and allied healthcare professionals. A full-time physician or allied healthcare professional is one who works a minimum of a 40-hour week (excluding patient care in clinic or hospital, hospital rounds, on call, and administrative duties). Data of regular part-time staff or staff not completing a full year of employment should not be reported.

2. All data reported should be for calendar year 1988 or your most recently completed 12 month period. Please do not report data for periods other than 12 months.

3. Report data for all full-time physicians in the medical group. If there are more physicians in the group than the 25 specialties available on this questionnaire, please photocopy Part I of this questionnaire found on pages 1 and 5 and use the photocopy(ies) to report all the remaining physicians.

4. Instructions for completing each numbered column on the questionnaire are as follows:

   a. Space 1 (ID): This space is reserved for CRAHCA's use to code each questionnaire.

   b. Columns 2 and 25 (no title): The numbers in these columns help respondents align their answers in columns 4 through 18.

   c. Column 3 (ID): This column is reserved for CRAHCA's use to code data.

   d. Column 4 (Total 1988 Compensation): For each physician and allied healthcare professional, report the gross dollar amount paid to the medical group in his/her calendar year 1988, including taxable salary (after salary deferrals to 401K or Keogh per etc), incentive payments, research stipends, honoraria, all bonuses, etc. Do not include the dollar value of fringe benefits, paid by the medical group (such as retirement plan contributions, life and health insurance, automobile, etc.

   e. Column 5 (Estimated Compensation from Administrative Duties): Report the estimated compensation that is directly attributed to administrative duties. This amount is included as part of the total compensation reported in Column 4. Leave this space in this column blank if a physician does not receive compensation for administrative duties or if the compensation is less than $10,000.

   f. Column 6 (Administrative Title): Write the appropriate numeric code for the administrative title for each physician who has administrative duties. Please use the numeric codes listed in Part III, Administrative Titles and Specialties Used in This Survey.

   g. Column 7 (Estimated Percentage of Time Attributed to Administrative Activity): State the percentage of total time that is devoted to administrative activity.

EXAMPLE OF HOW TO COMPLETE PART II

A medical group has five physicians (three general internists, one gastroenterologist, and one noninvasive cardiologist), one of whom is the president of the group and receives additional compensation to offset his role clinical activity. The medical group also employs two allied dental services production as only "hands-on" care and the professional interpretation fee of ancillary services. The group does not utilize physician extenders. Also, the group has a contract to provide care to HMO patients referred to the group. These HMO patients are seen by three of the physicians. This medical group would complete Part II, 1989 Individual Compensation and Productivity Data, as shown below.

2 ID (CRAHCA USE ONLY)	3 TOTAL 1988 COMPENSATION	4 ESTIMATED COMPENSATION FROM ADMINISTRATIVE DUTIES IF GREATER THAN $10,000	5 ADMINISTRATIVE TITLE (SEE LISTING BELOW)	6 ESTIMATED PERCENTAGE OF TIME ATTRIBUTED TO ADMINISTRATIVE ACTIVITY	7 SPECIALTY (SEE LISTING BELOW)	8 YEARS IN SPECIALTY	9 YEAR OF BIRTH	10 GENDER
	$ 189,000	$ 48,000	1	25 %	19	16	1943	M F
	$ 174,680			%	19	14	1944	M F
	$ 181,999		EXAMPLE	%	19	10	1950	M F
	$ 227,000			%	3	10	1939	M F
	$ 70,000			%	13	5	1966	M F

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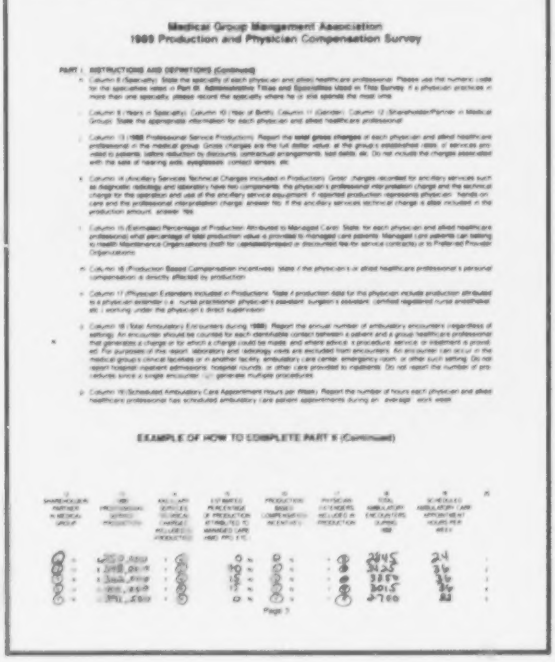

Medical Group Mangement Association
1989 Production and Physician Compensation Survey

PART I. INSTRUCTIONS AND DEFINITIONS (Continued)

h. Column 8 (Specialty): State the specialty of each physician and allied healthcare professional. Please use the numeric code for the specialties listed in Part III, Administrative Titles and Specialties Used in This Survey. If a physician practices in more than one specialty, please record the specialty where he or she spends the most time.

i. Column 9 (Years in Specialty): Column 10 (Year of Birth), Column 11 (Gender), Column 12 (Shareholder/Partner in Medical Group): State the appropriate information for each physician and allied healthcare professional.

j. Column 13 (1988 Professional Service Productions): Report the **total gross charges** of each physician and allied healthcare professional in the medical group. Gross charges are the full dollar value of the group's established rates of services provided to patients, before reduction by discounts, contractual arrangements, bad debts, etc. Do not include the charges associated with the sale of hearing aids, eyeglasses, contact lenses, etc.

k. Column 14 (Ancillary Services Technical Charges included in Productions): Gross charges recorded for ancillary services such as diagnostic radiology and laboratory have two components: the physician's professional interpretation charge and the technical charge for the operation and use of the ancillary service equipment. If reported production represents physician "hands-on" care and the professional interpretation charge, answer No. If the ancillary services technical charge is also included in the production amount, answer Yes.

l. Column 15 (Estimated Percentage of Production Attributed to Managed Care): State, for each physician and allied healthcare professional, what percentage of total production value is promised to managed care patients. Managed care patients can belong to Health Maintenance Organizations (HMO) for capitated/prepaid or discounted fee-for-service contracts, or to Preferred Provider Organizations.

m. Column 16 (Production Based Compensation Incentives): State if the physicians or allied healthcare professional's personal compensation is directly affected by production.

n. Column 17 (Physician Extenders included in Productions): State if production data for the physician include production attributed to a physician extender (i.e. nurse practitioner, physician's assistant, surgeon's assistant, certified registered nurse anesthetist, etc.) working under the physician's direct supervision.

o. Column 18 (Total Ambulatory Encounters during 1988): Report the annual number of ambulatory encounters (regardless of setting). An encounter should be counted for each identifiable contact between a patient and a group healthcare professional that generates a charge or for which a charge could be made, and where advice, a procedure, service or treatment is provided. For purposes of this report, laboratory and radiology visits are excluded from encounters. An encounter can occur in the medical group's clinical facilities or in another facility. Ambulatory care center, emergency room, or other such setting. Do not report hospital inpatient admissions, hospital rounds, or other care provided to inpatients. Do not report the number of procedures since a single encounter can generate multiple procedures.

p. Column 19 (Scheduled Ambulatory Care Appointment Hours per Week): Report the number of hours each physician and allied healthcare professional has scheduled ambulatory care patient appointments during an average work week.

EXAMPLE OF HOW TO COMPLETE PART II (Continued)

11 SHAREHOLDER/ PARTNER IN MEDICAL GROUP	12 YEAR PROFESSIONAL SERVICE PRODUCTION	13 INCLUDES ANCILLARY SERVICES TECHNICAL CHARGES INCLUDED IN PRODUCTIONS	14 ESTIMATED PERCENTAGE OF PRODUCTION ATTRIBUTED TO MANAGED CARE (HMO, PPO, ETC.)	15 PRODUCTION BASED COMPENSATION INCENTIVES	16 PHYSICIAN EXTENDERS INCLUDED IN PRODUCTION	17 TOTAL AMBULATORY ENCOUNTERS DURING 1988	18 SCHEDULED AMBULATORY CARE APPOINTMENT HOURS PER WEEK
	$ 1,252,000		0 %			2845	24
	$ 1,098,000		100 %			2425	36
	$ 1,366,000		0 %			3875	36
	$ 1,805,000		0 %			3015	36
	$ 391,000		0 %			4700	32

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Medical Group Management Association
1989 Production Survey Based on 1988 Data

Medical Group Mangement Association
1989 Production and Physician Compensation Survey

PART II: ADMINISTRATIVE TITLES AND SPECIALTIES USED IN THIS SURVEY

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Medical Group Mangement Association
1989 Production and Physician Compensation Survey

PART II: 1988 INDIVIDUAL COMPENSATION AND PRODUCTIVITY DATA (Continued)

PART III: ADMINISTRATIVE TITLES AND SPECIALTIES USED IN THIS SURVEY (Continued)

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Medical Group Mangement Association
1989 Production and Physician Compensation Survey

PART IV: GROUP DEMOGRAPHIC DATA

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Medical Group Mangement Association
1989 Production and Physician Compensation Survey

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Medical Group Management Association
1989 Cost Survey Based on 1988 Data

Medical Group Management Association

1989 COST SURVEY LONG FORM

COST SURVEY DIRECTIONS

1. Please complete either a **Long Form** or a **Short Form Questionnaire**. The Long Form is preferred. Do not return both forms.
2. All data should be for calendar year 1988 or your most recently completed 12-month period. Please do not report data for periods other than 12 months.
3. Please round financial information to whole dollars (e.g. $5,713.51 = $574).
4. The numbers in parentheses to the right of the items represent CPA/HCA Chart of Accounts classifications. If your group does not use the CPA/HCA Chart of Accounts, please refer to the enclosed MGMA 1989 Cost Survey Definitions.
5. Certain pages of this questionnaire must be completed if your survey is to be valid. Mandatory data items are indicated by [redacted].
6. If you have a question on how to complete your survey questionnaire, call Dave Gans or Jim Mongalo at MGMA (303) 753-1111 or the Financial Management Committee member in your MGMA section. See page 57 of the MGMA Directory for names and telephone numbers of committee members.
7. The results of this survey will be compiled in the MGMA 1989 Cost and Production Survey Report. This report is provided at no charge only to survey participants. To receive your report, complete either a Cost Survey Long Form or Short Form questionnaire and return it to MGMA. All MGMA members in the responding medical groups will receive a survey report. MGMA members who do not participate in the survey can purchase a copy of the MGMA 1989 Cost and Production Survey Report for $50.00, including first class postage. Order forms will be available in the August 1989 *MGMA Update*.
8. Please return your completed Cost Survey questionnaire along with your group's Production and Physician Compensation Survey questionnaire no later than **April 19, 1989** to: MGMA 1355 South Colorado Blvd. Suite 800, Denver, Colorado 80222 Attn: David N. Gans, Project Director. A pre-addressed envelope is provided for your convenience.
9. All survey data are confidential. A copy of the MGMA/CPA/HCA policy regarding confidentiality of survey data is enclosed.

Please complete and return no later than April 19, 1989.

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MGMA

MGMA 1989 COST SURVEY LONG FORM

PART VI—1989 COST AND PRODUCTION SURVEY REPORT MAILING LIST

This part of the questionnaire provides information needed to properly distribute the *1989 Cost and Production Survey Report*. This report will be provided at no charge to every member in the medical groups that participate in the survey.

All survey data are confidential. Please see the enclosed MGMA policy statement regarding how the identity of survey participants is safeguarded.

Name of Respondent _____ MGMA Member Number _____

Title/Position _____

Name of Medical Group _____

Address _____

City _____ State/Province _____ Zip/PC _____

SUGGESTIONS AND COMMENTS

THANK YOU FOR YOUR TIME AND EFFORT IN COMPLETING THIS SURVEY.

Sincerely,

MGMA Financial Management Committee
and MGMA/CPA/HCA Staff

Please return your completed questionnaire no later than April 19, 1989 to: MGMA Cost and Production Survey, 1355 South Colorado Blvd., Suite 800, Denver, CO 80222, Attn: David N. Gans, Senior Project Director. A pre-addressed envelope is provided for your convenience.

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MGMA 1989 COST SURVEY LONG FORM

WHAT 12-MONTH PERIOD DO THESE SURVEY DATA COVER? (Please report data for calendar year 1988 or group's most recently completed 12-month period.) [redacted] (month) [redacted] (year) through [redacted] (month) [redacted] (year)

PART I—GROUP REVENUE

1. PATIENT CHARGES
   - a. Gross fee for service charges (100-300)
   - b. Prepaid patient charges (dollar equivalent fee for service charges) (800-870)
   - c. TOTAL PATIENT CHARGES (a + b)
2. ADJUSTMENTS (400-440)
3. BAD DEBTS AND WRITE-OFFS (450-460)
4. PREPAID REVENUE
   - a. Capitation revenue (810-830)
   - b. All other prepaid revenue (840-860)
   - c. LESS professional and medical purchased services (for prepaid plan patients) (700)
   - d. NET PREPAID REVENUE (4a + 4b − 4c)
5. FEE FOR SERVICE CASH COLLECTIONS (900-930)
6. OTHER REVENUE (Source) (950)
7. TOTAL GROUP CASH COLLECTIONS (4d + 5 + 6)
8. ACCOUNTS RECEIVABLE
   Please show the age distribution in dollars of your accounts receivable at the end of the 12-month period used in this report.
   - a. Current to 30 days $
   - b. 31 to 60 days $
   - c. 61 to 90 days $
   - d. 91 to 120 days $
   - e. Over 120 days $
   - f. TOTAL ACCOUNTS RECEIVABLE $
9. Please estimate the BREAKOUT BY PAYOR OF MEDICAL GROUP TOTAL PATIENT CHARGES (7c). Please report all payors so the total will sum to 100%.
   - a. Medicare %
   - b. Medicaid %
   - c. Managed Care (HMO/PPO) %
   - d. Commercial Insurance Carriers, Private Pay, Workers' Compensation, and all other %

   Total 100 %

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MGMA 1989 COST SURVEY LONG FORM

PART II—NONPHYSICIAN EXPENSES

1. NONPHYSICIAN SALARIES
   - a. Group practice executive staff (610-(620)
   - b. Business office personnel (630-(640)
   - c. Data processing personnel (650)
   - d. Other administrative personnel (660-(670)
   - e. Registered nurses (510)
   - f. Licensed practical nurses, aides, etc. (520)
   - g. Medical receptionists (530)
   - h. Medical secretaries/transcribers (540)
   - i. Medical records personnel (550)
   - j. Nonphysician providers (300)
   - k. Laboratory personnel (410)
   - l. Radiology personnel (420)
   - m. Physical therapy personnel (430)
   - n. Optical personnel (440)
   - o. Housekeeping, maintenance, and security personnel (570)
   - p. Certified registered nurse anesthetists
   - q. Other support personnel (560-580, 590-595, 597)
   - r. TOTAL NONPHYSICIAN SALARIES
2. NONPHYSICIAN EMPLOYEE BENEFIT EXPENSES
   - a. Taxes—FICA, payroll, workers' compensation, etc. (610)
   - b. Insurance—health, disability, life, etc. (620)
   - c. Retirement and/or profit sharing (630)
   - d. Other employee benefits (640-660)
   - e. TOTAL NONPHYSICIAN EMPLOYEE BENEFIT EXPENSES
3. DATA PROCESSING EXPENSES
   - a. Service bureau fees (720)
   - b. Equipment and software rental/depreciation expenses (680-(690)
   - c. Equipment and software maintenance expenses
   - d. Data processing supplies
   - e. Other data processing expenses
   - f. TOTAL DATA PROCESSING EXPENSES
4. LABORATORY EXPENSES
   - a. Fees paid for outside laboratory services (730)
   - b. Equipment rental/depreciation expenses (680-(690)
   - c. Equipment maintenance expenses (640)
   - d. Laboratory supplies (620-(630)
   - e. Other laboratory expenses
   - f. TOTAL LABORATORY EXPENSES

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MGMA 1989 COST SURVEY LONG FORM

5. RADIOLOGY EXPENSES
   a. Fees paid for outside radiology services
   b. Equipment rental/depreciation expenses
   c. Equipment maintenance expenses
   d. Radiology supplies
   e. Other radiology expenses
   f. TOTAL RADIOLOGY EXPENSES

6. PHYSICAL THERAPY EXPENSES
   a. Equipment rental/depreciation expenses
   b. Equipment maintenance expenses
   c. Physical therapy supplies
   d. Other physical therapy expenses
   e. TOTAL PHYSICAL THERAPY EXPENSES

7. OPTICAL EXPENSES
   a. Equipment rental/depreciation expenses
   b. Equipment maintenance expenses
   c. Optical supplies
   d. Other optical expenses
   e. TOTAL OPTICAL EXPENSES

8. MEDICAL AND SURGICAL SUPPLY EXPENSES
   a. Drugs and medications
   b. General medical supplies and instruments
   c. Laundry and linens
   d. TOTAL MEDICAL AND SURGICAL SUPPLY EXPENSES

9. BUILDING AND OCCUPANCY EXPENSES
   a. Rental/depreciation/improvements expenses
   b. Utilities
   c. Housekeeping/maintenance supplies
   d. Contracted janitorial services
   e. TOTAL BUILDING AND OCCUPANCY EXPENSES

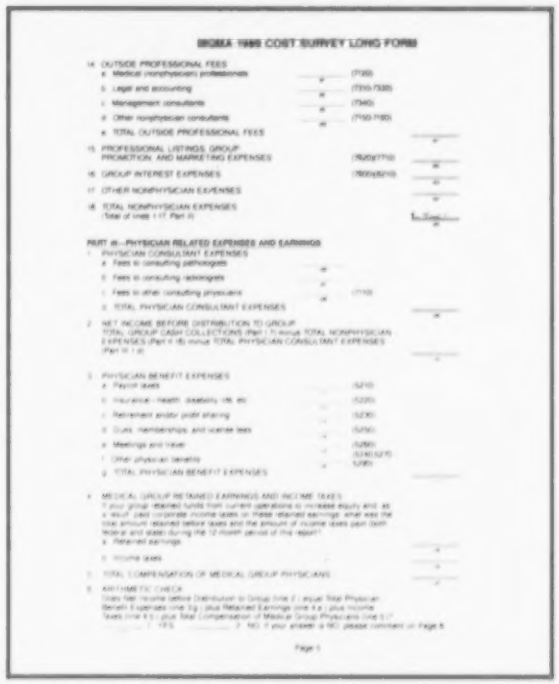
10. FURNITURE AND EQUIPMENT EXPENSES
    a. Rental/depreciation expenses
    b. Other furniture and equipment expenses
    c. TOTAL FURNITURE AND EQUIPMENT EXPENSES

11. OFFICE SUPPLIES AND SERVICES

12. TELEPHONE EXPENSES

13. INSURANCE PREMIUMS
    a. Professional liability physician and employee
    b. Other insurance - fire casualty etc. for land, buildings, and equipment
    c. TOTAL INSURANCE PREMIUMS

Page 4



MGMA 1989 COST SURVEY LONG FORM

14. OUTSIDE PROFESSIONAL FEES
    a. Medical (nonphysician) professionals (7150)
    b. Legal and accounting (7310-7320)
    c. Management consultants (7340)
    d. Other nonphysician consultants (7150-7180)
    e. TOTAL OUTSIDE PROFESSIONAL FEES

15. PROFESSIONAL LISTINGS, GROUP PROMOTION, AND MARKETING EXPENSES (7600-7710)

16. GROUP INTEREST EXPENSES (7800-8210)

17. OTHER NONPHYSICIAN EXPENSES

18. TOTAL NONPHYSICIAN EXPENSES (Total of lines 1-17, Part II)

PART III--PHYSICIAN RELATED EXPENSES AND EARNINGS

1. PHYSICIAN CONSULTANT EXPENSES
   a. Fees to consulting pathologists
   b. Fees to consulting radiologists
   c. Fees to other consulting physicians (7110)
   d. TOTAL PHYSICIAN CONSULTANT EXPENSES

2. NET INCOME BEFORE DISTRIBUTION TO GROUP
   TOTAL GROUP CASH COLLECTIONS (Part I, 7) minus TOTAL NONPHYSICIAN EXPENSES (Part II, 18) minus TOTAL PHYSICIAN CONSULTANT EXPENSES (Part III, 1.d)

3. PHYSICIAN BENEFIT EXPENSES
   a. Payroll taxes (5210)
   b. Insurance - health, disability, life, etc. (5220)
   c. Retirement and/or profit sharing (5230)
   d. Dues, memberships, and license fees (5250)
   e. Meetings and travel (5260)
   f. Other physician benefits (5240-5270, 5290)
   g. TOTAL PHYSICIAN BENEFIT EXPENSES

4. MEDICAL GROUP RETAINED EARNINGS AND INCOME TAXES
   If your group retained funds from current operations to increase equity and as a result paid corporate income taxes on these retained earnings, what was the total amount retained before taxes and the amount of income taxes paid (both federal and state) during the 12 month period of this report?
   a. Retained earnings
   b. Income taxes

5. TOTAL COMPENSATION OF MEDICAL GROUP PHYSICIANS

6. ARITHMETIC CHECK
   Does Net Income before Distribution to Group (line 2 / equal Total Physician Benefit Expenses (line 3.g.) plus Retained Earnings (line 4.a.) plus Income Taxes (line 4.b.) plus Total Compensation of Medical Group Physicians (line 5)?
   1 YES 2 NO. If your answer is NO, please comment on Page 5.

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MGMA 1989 COST SURVEY LONG FORM

PART IV--GROUP STAFFING

1. How many FTE PHYSICIANS are in your medical group? _____ FTEs
   To compute the number of FTE physicians in the group, add the number of full-time (1.0 FTE) physicians to the number of part-time physicians. Report the total FTE of ALL physicians practicing within the medical group, including shareholders/partners, associates or salary employed physicians, contract physicians, locum tenens, etc. The FTE of a part-time physician can be computed by comparing the time a physician spends working for the group practice in the area spent in a normal work week, e.g., a physician working in the clinic or in a hospital on behalf of the group for 20 hours compared to a normal 40-hour work week would be 0.5 FTE. Please round to the nearest tenth FTE.

2. How many FTE EMPLOYEES are employed by your medical group?
   Please break out by area:

	Total FTE Employees		Total FTE Employees
a. Group practice executive staff		j. Nonphysician providers	
b. Business office personnel		k. Laboratory personnel	
c. Data processing personnel		Radiology personnel	
d. Other administrative personnel		m. Physical therapy personnel	
e. Registered nurses		n. Optical personnel	
f. Licensed practical nurses, aides, etc.		o. Housekeeping, maintenance, and security personnel	
g. Medical receptionists		p. Certified registered nurse anesthetists	
h. Medical secretaries/clerks		q. Other support personnel	
Medical record personnel		r. TOTAL GROUP EMPLOYEES (Total of a through q)	

PART V--GROUP DEMOGRAPHIC DATA

1. What is your group type?
   1 Single Specialty 2 Multispecialty

2. If Question 1 is Single Specialty, what specialty is your group?

3. What is the legal organization of your medical group? (Please mark only one answer.)
   1 Professional corporation/association 4 Sole proprietorship
   2 Partnership 5 Business corporation
   3 Not-for-profit corporation/foundation 6 Other

4. What best describes your medical group's primary affiliation? (Please mark only one answer.)
   1 Freestanding 4 Government
   2 Hospital 5 Other
   3 University

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MGMA 1989 COST SURVEY LONG FORM

5. If Question 4 is University, what is the type of practice plan? (Please mark only one answer.)
   1 Centralized faculty practice plan 3 University health service
   2 Departmentalized faculty practice plan 4 Other

6. In what state or province is your medical group located? (Please use 2-letter postal code.)

7. What is the 5-digit zip/postal code of your primary clinic facility?

8. What best describes the location of your primary clinic facility? (Please mark only one of the following 7 options.)
   Metropolitan area with a population greater than 500,000:
   1 Central city location 2 Suburban location
   Metropolitan area with a population between 100,000 and 500,000:
   3 Central city location 4 Suburban location
   Nonmetropolitan area:
   5 City of 50,000 to 99,999 6 City of 20,000 to 49,999 7 Rural (Less than 20,000 population)

9. Has your medical group signed a participating agreement with Medicare? (Please mark only one answer.)
   1 Yes, for the entire medical group
   2 Yes, for some physicians, but NOT the entire medical group
   3 No

10. What is your accounting method? (Please mark only one answer.)
    1 Cash
    2 Modified cash/accrual
    3 Accrual

11. Has your group implemented the MGMA/CPA/HFMA Chart of Accounts?
    1 Yes
    2 No

12. How long did it take to complete this questionnaire?
    1 1 hour or less
    2 1.1 to 2 hours
    3 2.1 to 4 hours
    4 4.1 to 8 hours
    5 8.1 to 16 hours
    6 more than 16 hours

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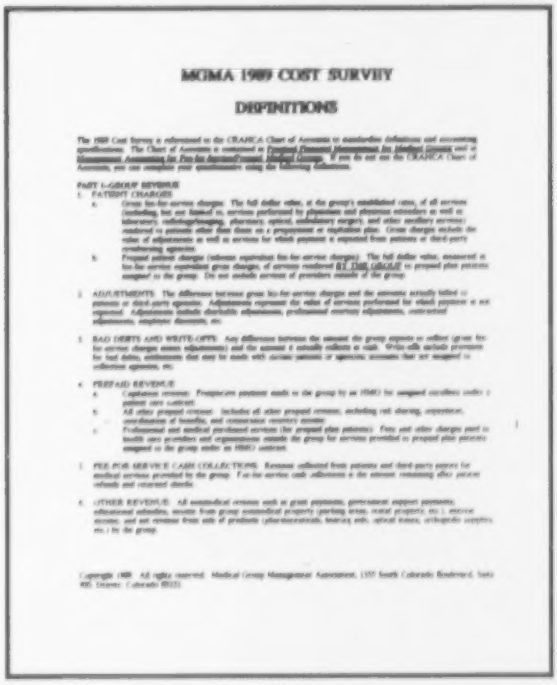
Medical Group Management Association
1989 Cost Survey Based on 1988 Data



MGMA 1989 COST SURVEY

DEFINITIONS

The 1989 Cost Survey is referenced to the CHAMCA Chart of Accounts to standardize definitions and accounting specifications. The Chart of Accounts is contained in *Financial Management for Medical Groups*, and *Management Accounting for Pre-Tax Income/Prepaid Medical Groups*. If you do not use the CHAMCA Chart of Accounts, you can complete your questionnaire using the following definitions.

PART I--GROUP REVENUE

I. PATIENT CHARGES

a. Gross fee-for-service charges. The full dollar value, at the group's established rates, of all services (including, but not limited to, services performed by physicians and physician extenders as well as laboratory, radiology/imaging, pharmacy, optical, ambulatory surgery, and other ancillary services) rendered to patients other than those on a prepayment or capitation plan. Gross charges include the value of adjustments as well as services for which payment is expected from patients or third-party reimbursing agencies.

b. Prepaid patient charges (alternate equivalent fee-for-service charges). The full dollar value, measured at fee-for-service equivalent gross charges, of services rendered BY THIS GROUP to prepaid plan patients assigned to the group. Do not include services of providers outside of the group.

2. ADJUSTMENTS. The difference between gross fee-for-service charges and the amounts actually billed to patients or third-party agencies. Adjustments represent the value of services performed for which payment is not expected. Adjustments include charitable, educational, professional courtesy adjustments, contractual adjustments, employee discounts, etc.

3. BAD DEBTS AND WRITE-OFFS. Any difference between the amount the group expects to collect (gross fee-for-service charges minus adjustments) and the amount it actually collects in cash. Write-offs include provisions for bad debts, settlements that may be made with outside agencies or agencies, accounts that are assigned to collection agencies, etc.

4. PREPAID REVENUE

a. Capitation revenue. Prospective payment made to the group by an HMO for assigned enrollees under a defined care contract.

b. All other prepaid revenue. Includes all other prepaid revenue, including risk sharing, supervision, coordination of benefits, and reinsurance recovery monies.

c. Professional and medical purchased services (for prepaid plan patients). Fees and other charges paid to health care providers and organizations outside the group for services provided to prepaid plan patients assigned to the group under an HMO contract.

5. FEE-FOR-SERVICE CASH COLLECTIONS. Revenues collected from patients and third-party sources for medical services provided by the group. Fee-for-service cash collections is the amount remaining after patient refunds and uncollected checks.

6. OTHER REVENUES. All nonmedical revenue such as grant payments, government support payments, educational subsidies, income from group nonmedical property (parking areas, rental property, etc.), interest income, and net revenue from sale of products (pharmaceuticals, hearing aids, optical lenses, orthopedic supplies, etc.) by the group.

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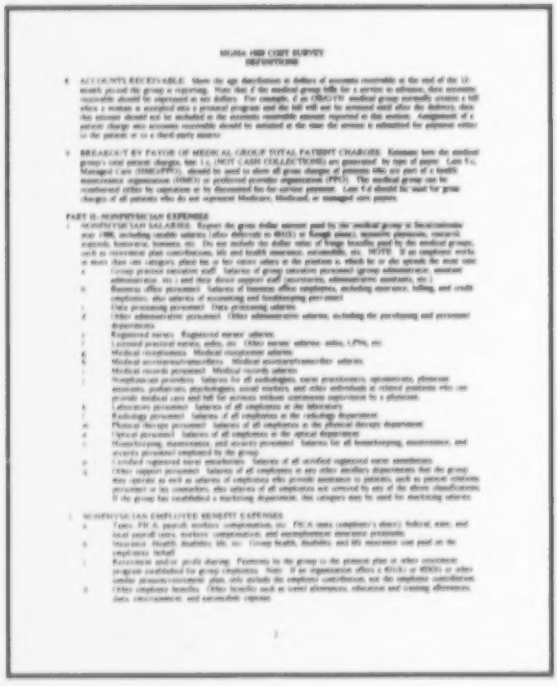


MGMA 1989 COST SURVEY
DEFINITIONS

6. ACCOUNTS RECEIVABLE. Show the age distribution in dollars of accounts receivable at the end of the 12-month period the group is reporting. Note that if the medical group bills for a service in advance, then accounts receivable should be expressed as net dollars. For example, if an OB/GYN medical group normally charges $ 900 when a woman is accepted into a prepaid program and the full bill will be reimbursed until after the delivery, then this amount should not be included in the accounts receivable amount reported in this section. Assignment of a patient charge into accounts receivable should be initiated at the time the service is submitted for payment either to the patient or to a third-party source.

7. BREAKOUT BY PAYOR OF MEDICAL GROUP TOTAL PATIENT CHARGES. Estimates here the medical group's total patient charges, less I.e. (NOT CASH COLLECTIONS) are generated by type of payor. Lines 9 to Managed Care (SIMULATED), should be used to show all gross charges of patients who are part of a health maintenance organization (HMO) or preferred provider organization (PPO). The medical group can be reimbursed either by capitation or by discounted fee-for-service payment. Line 9 d should be used for gross charges of all patients who do not represent Medicare, Medicaid, or managed care payors.

PART II--NONPHYSICIAN EXPENSES

1. NONPHYSICIAN SALARIES. Report the gross dollar amount paid by the medical group in base compensation plus OT, bonuses, incentive payments (after deferrals in 401(k) or foreign plans), executive premiums, incurred expense, honoraria, bonuses, etc. Do not include the dollar value of fringe benefits paid by the medical groups, such as retirement plan contributions, life and health insurance, automobiles, etc. NOTE: If an employee works in more than one category, please list on the line where others in the profession is, check to see the spreads the most use.

a. Group practice executive staff. Salaries of group executive personnel (group administrator, assistant administrator, etc.) and their direct support staff (secretaries, administrative assistants, etc.)

b. Business office personnel. Salaries of business office employees, excluding supervisor, billing, and credit employees. Also salaries of accounting and bookkeeping personnel.

c. Data processing personnel. Data processing salaries.

d. Other administrative personnel. Other administrative salaries, excluding the purchasing and personnel departments.

e. Registered nurses. Registered nurses' salaries.

f. Licensed practical nurses, aides, etc. Other nurses' salaries: aides, LPNs, etc.

g. Medical receptionists. Medical receptionist salaries.

h. Medical secretaries/typists. Medical secretaries/transcriber salaries.

i. Medical records personnel. Medical records salaries.

j. Nonphysician providers. Salaries for all cardiologists, nurse practitioners, optometrists, physician assistants, podiatrists, psychologists, social workers, and other individuals in related positions who can provide medical care and bill for services without commissions supervision by a physician.

k. Laboratory personnel. Salaries of all employees in the laboratory.

l. Radiology personnel. Salaries of all employees in the radiology department.

m. Physical therapy personnel. Salaries of all employees in the physical therapy department.

n. Optical personnel. Salaries of all employees in the optical department.

o. Housekeeping, maintenance, and security personnel. Salaries for all housekeeping, maintenance, and security personnel employed by the group.

p. Certified registered nurse anesthetists. Salaries of all certified registered nurse anesthetists.

q. Other support personnel. Salaries of all employees in any other ancillary departments that the group may operate as well as salaries of employees who provide assistance to patients, such as patient relations personnel or lay counselors. Also salaries of all employees not covered by any of the above classifications. If the group has established a marketing department, this category may be used for marketing salaries.

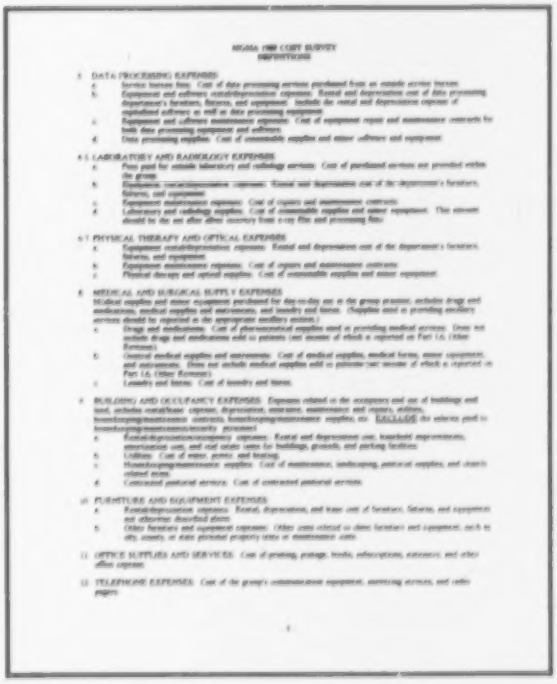
2. NONPHYSICIAN EMPLOYEE BENEFIT EXPENSES

a. Taxes. FICA payroll, workers compensation, etc. FICA taxes (employee's share), federal, state, and local payroll taxes, workers compensation, and unemployment insurance premiums.

b. Insurance. Health, disability, life, etc. Group health, disability, and life insurance cost paid on the employees behalf.

c. Retirement and/or profit sharing. Premiums by the group to the premium plan or other retirement program established for group employees. Note: If an organization offers a 401(k) or 403(b) or other similar pension/retirement plan, only include the employer contribution, not the employee contribution.

d. Other employee benefits. Other benefits such as travel allowances, education and training allowances, dues, entertainment, and automobile expense.



MGMA 1989 COST SURVEY
DEFINITIONS

3. DATA PROCESSING EXPENSES

a. Service bureau fees. Cost of data processing services purchased from an outside service bureau.

b. Equipment and software rental/depreciation expenses. Rental and depreciation cost of data processing department's furniture, fixtures, and equipment. Include the rental and depreciation expense of capitalized software as well as data processing equipment.

c. Equipment and software maintenance expenses. Cost of equipment repair and maintenance contracts for both data processing equipment and software.

d. Data processing supplies. Cost of consumable supplies and minor software and equipment.

4.1 LABORATORY AND RADIOLOGY EXPENSES

a. Fees paid for outside laboratory and radiology services. Cost of purchased services not provided within the group.

b. Equipment rental/depreciation expenses. Rental and depreciation cost of the department's furniture, fixtures, and equipment.

c. Equipment maintenance expenses. Cost of repairs and maintenance contracts.

d. Laboratory and radiology supplies. Cost of consumable supplies and minor equipment. This amount should be the net after allowances from x-ray film and processing fees.

4.7 PHYSICAL THERAPY AND OPTICAL EXPENSES

a. Equipment rental/depreciation expenses. Rental and depreciation cost of the department's furniture, fixtures, and equipment.

b. Equipment maintenance expenses. Cost of repairs and maintenance contracts.

c. Physical therapy and optical supplies. Cost of consumable supplies and minor equipment.

5. MEDICAL AND SURGICAL SUPPLY EXPENSES

Medical supplies and minor equipment purchased for day-to-day use in the group practice, excluding drugs and medications, medical supplies and instruments, and laundry and linens. Supplies used in providing ancillary services should be reported in the appropriate ancillary section.)

a. Drugs and medications. Cost of pharmaceutical supplies used in providing medical services. Does not include drugs and medications sold to patients (net amount of check is reported on Part I.6. Other Revenue).

b. General medical supplies and instruments. Cost of medical supplies, medical forms, minor equipment, and instruments. Does not include medical supplies sold to patients (net amount of check is reported on Part I.6. Other Revenue).

c. Laundry and linens. Cost of laundry and linens.

6. BUILDING AND OCCUPANCY EXPENSES. Expenses related to the occupancy and use of buildings and land, includes rental/lease expense, depreciation, insurance, maintenance and repairs, utilities, housekeeping/maintenance contracts, housekeeping/maintenance supplies, etc. EXCLUDE the salaries paid to housekeeping/maintenance/security personnel.

a. Rental/depreciation/occupancy expenses. Rental and depreciation cost, leasehold improvements, amortization cost, and real estate taxes for buildings, grounds, and parking facilities.

b. Utilities. Cost of water, power, and heating.

c. Housekeeping/maintenance supplies. Cost of maintenance, landscaping, janitorial supplies, and snow/ice related items.

d. Contracted janitorial services. Cost of contracted janitorial services.

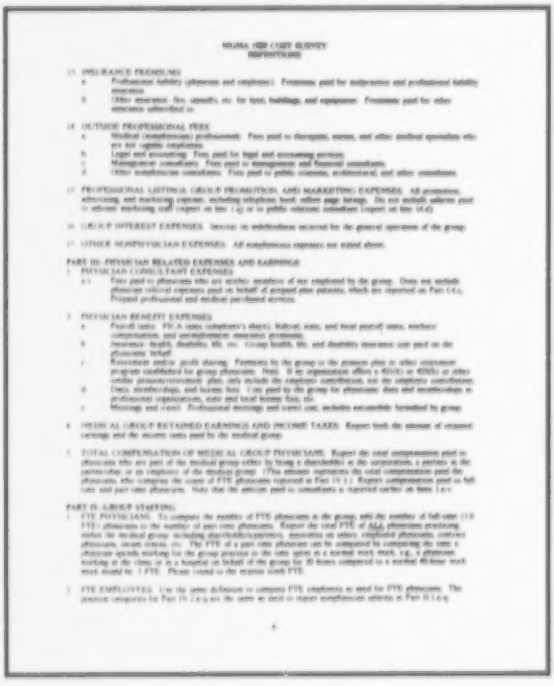
10. FURNITURE AND EQUIPMENT EXPENSES

a. Rental/depreciation expenses. Rental, depreciation, and lease cost of furniture, fixtures, and equipment not otherwise described above.

b. Other furniture and equipment expenses. Other costs related to these furniture and equipment, such as title, casualty, or state personal property taxes or maintenance costs.

11. OFFICE SUPPLIES AND SERVICES. Cost of printing, postage, books, subscriptions, stationery, and other office expenses.

12. TELEPHONE EXPENSES. Cost of the group's communication equipment, answering services, and radio pagers.



MGMA 1989 COST SURVEY
DEFINITIONS

13. INSURANCE PREMIUMS

a. Professional liability (physician and employee). Premiums paid for malpractice and professional liability insurance.

b. Other insurance. Non-casualty, etc. for land, buildings, and equipment. Premiums paid for other insurance embedded in.

14. OUTSIDE PROFESSIONAL FEES

a. Medical (nonphysician) professionals. Fees paid to therapists, nurses, and other medical specialists who are not regular employees.

b. Legal and accounting. Fees paid for legal and accounting services.

c. Management consultants. Fees paid to management and financial consultants.

d. Other nonphysician consultants. Fees paid to public relations, architectural, and other consultants.

15. PROFESSIONAL LISTINGS, GROUP PROMOTION, AND MARKETING EXPENSES. All promotion, advertising, and marketing expenses, including telephone book, yellow page listings. Do not include salaries paid to in-house marketing staff (report on line 1.q) or to public relations consultant (report on line 14.d).

16. GROUP INTEREST EXPENSES. Interest on indebtedness incurred for the general operations of the group.

17. OTHER NONPHYSICIAN EXPENSES. All nonphysician expenses not stated above.

PART III--PHYSICIAN RELATED EXPENSES AND EARNINGS

1. PHYSICIAN CONSULTANT EXPENSES

1.1 Fees paid to physicians who are neither members of nor employed by the group. Does not include physician referral expenses paid on behalf of prepaid plan patients, which are reported on Part I.4.c, Prepaid professional and medical purchased services.

2. PHYSICIAN BENEFIT EXPENSES

a. Payroll taxes. FICA taxes (employee's share), federal, state, and local payroll taxes, workers compensation and unemployment insurance premiums.

b. Insurance. Health, disability, life, etc. Group health, life, and disability insurance cost paid on the physicians behalf.

c. Retirement and/or profit sharing. Premiums by the group to the premium plan or other retirement program established for group physicians. Note: If an organization offers a 401(k) or 403(b) or other similar pension/retirement plan, only include the employer contribution, not the employee contribution.

d. Dues, memberships, and license fees. Fees paid by the group for physicians' dues and memberships in professional organizations, state and local license fees, etc.

e. Meetings and travel. Professional meetings and travel cost, excludes non-medical formalized by group.

6. MEDICAL GROUP RETAINED EARNINGS AND INCOME TAXES. Report both the amount of retained earnings and the income taxes paid by the medical group.

7. TOTAL COMPENSATION OF MEDICAL GROUP PHYSICIANS. Report the total compensation paid to physicians who are part of the medical group either by being a shareholder in the corporation, a partner in the partnership, or an employee of the medical group. (This amount represents the total compensation paid the physicians who comprise the count of FTE physicians reported in Part IV.1.) Report compensation paid to full-time and part-time physicians. Note that this amount paid to consultants is reported earlier on lines 1.e.1

PART IV--GROUP STAFFING

1. FTE PHYSICIANS. To compute the number of FTE physicians in the group, add the number of full-time (1.0 FTE) physicians to the number of part-time physicians. Report the total FTE of ALL physicians practicing within the medical group, including chairmen/directors, executives or others employed physicians, contract physicians, locum tenens, etc. The FTE of a part-time physician can be computed by comparing the time a physician spends working for the group practice to the time spent on a normal work week, e.g., a physician working in the clinic or in a hospital on behalf of the group for 30 hours compared to a normal 40-hour work week would be .7 FTE. Please round to the nearest tenth FTE.

2. FTE EMPLOYEES. Use the same definition to compute FTE employees as used for FTE physicians. The position categories for Part IV.2.a-p are the same as used to report compensation salaries in Part II.1.a-q.

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